

Annual budget of *Siyancuma Municipality*

2014/15 TO 2016/17
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

VISION

A sustainable and economically viable community where residents enjoy a high quality of life.

MISSION

To economically and socially develop and empower the community through transparent, accountable, and democratic governments and by utilizing all available resources and human skills.



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All public libraries within the municipality

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Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative
CFO	Chief Financial Officer
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	General Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Strategy
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MFMA	Municipal Financial Management Act Programme
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
NT	National Treasury
PBO	Public Benefit Organisations
PMS	Performance Management System
PPE	Property Plant and Equipment
RDP	Reconstruction and Development Plan
SALGA	South African Local Government Association
SAPS	South African Police Service
SCMP	Supply Chain Management Policy
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

Part 1 – Annual Budget

1.1 Mayor's Report

BUDGET SPEECH BY COUNCILLOR LORRAINE OLIPHANT, MAYOR OF SIYANCUMA MUNICIPALITY ON THE 2014/15 FINANCIAL YEAR

Geagte Raadslede van die Siyancuma Munisipaliteit;

Genooide Gaste;

Munisipale Bestuurder en Senior Bestuurders in die Munisipaliteit;

Vennote in Plaaslike Bestuur; en

Inwoners in die Siyancuma Munisipale Area.

Geagte kollegas, die inwoners van Suid-Afrika het op 7 Mei 2014 weer hulle kruisies getrek en 'n nuwe Nasionale en Provinsiale Regering verkies en uit die uitslae is 'n baie duidelike boodskap gestuur dat die regering 'n moeilike termyn op hande het en sal noukeurig moet besin oor prioriteite en programme. Baie geluk aan al die politieke partye met hul uitslae en die gees waarin die verkiesing plaasgevind het.

Die bevolking het met oorweldigende meerderhede die regerende party se programme ondersteun. Die Nasionale Ontwikkelings Plan en die Infrastruktuur programme vorm steeds die ruggraat van die ontwikkelings inisiatiewe en die munisipaliteit sal homself moet posisioneer om die voordele van hierdie

programme aan die inwoners van hierdie munisipaliteit bekend te stel en ook deel te neem daaraan.

Met 'n nuwe regering aan bewind bied dit geleenthede aan die munisipaliteit om weer met Staatsdepartemente te onderhandel vir moontlike geleenthede in die munisipale area en u kan verseker wees dat ons geen geleentheid sal laat verby gaan om voordele vir die gemeenskap te onderhandel nie.

Die munisipaliteit onderskryf steeds die visie van die munisipaliteit, dit lei dan ook as volg:

“ 'n Munisipaliteit gefokus op effektiewe dienslewering 'onderskryf' deur 'n volhoubare ekonomie”

Die visie reflekteer dan ook die volgende kritieke areas:

Ons bewustheid rakende effektiewe dienslewering

Hier wil ons weer die gemeenskap en al ons vennote in dienslewering verseker dat ons steeds verbind is in ons strewe om tot dienslewering en vasbeslote is om die mandaat wat die gemeenskap van Siyancuma ons gegee het uit te voer. Ons is vasbeslote om 'n organisasie kultuur te skep om die gemeenskap te verenig in ons dienslewering pogings.

Ons ideale in die vereniging van ons munisipaliteit in 'n funksionele eenheid

Soos ek reeds in die verlede gesê het, is ons steeds besig na 14 jaar in die nuwe munisipale bedeling om die munisipaliteit vanaf die verskillende dorpe en lande gebiede in een effektiewe eenheid te probeer omskep. Ons sukkel steeds om die

werksmag in dieselfde rigting teen die dieselfde pas te stuur. Ons is dus deur ons visie, missie en korporatiewe kultuur besig om hierdie potensieel ongemaklike situasie aan te spreek.

Ons begrip van wat dit verg om 'n munisipaliteit te wees wat gefokus is op dienslewering

Dames en here, ons visie gee ons 'n duidelike opdrag, dat ons fokus op '*dienslewering*' onderskryf word deur *ekonomiese 'volhoubaarheid'*. Dit beteken dat die Siyancuma Munisipaliteit sal bydra tot sy eie ondergang indien ons nie 'n omgewing skep vir ekonomiese ontwikkeling en investering nie. Dit bring mee dat investerings moontlikhede en behoud in die Siyancuma Munisipale area 'n kerndrywer is. Hierdie investerings- en behoud moontlikhede moet as 'n proses gesien word wat versterk sal word deur die doelwitte van munisipaliteit wat omsigtig en doeltreffend regeer en bestuur word. Dit beteken verder dat vergrote investerings vertroue gebou moet word op 'n gemeenskap wat ge-rat is vir groei en ontwikkeling.

Geagte Raadslede, wanneer ons oor hierdie sake praat, moet ons 'n paar oomblikke neem om eerlik te besin oor die uniekheid van ons munisipaliteit, ons is ryk aan hulpbronne en kultuur. Ons as Munisipale Raad aanvaar en omarm hierdie diversiteit en onderneem om dit te bevorder.

Hierdie begroting wat vandag aan u voorgelê word is 'n produk van die Raad se visie om hierdie diversiteit te bevorder. Deur die Geïntegreerde Ontwikkeling Plan (IDP) proses en later deur die begrotings konsultasie proses is u insette deeglik oorweeg.

Munisipale Bestuurder, gee my die geleentheid om die volgende onder u aandag te bring, alhoewel die Raad reeds die IDP goedgekeur is, sal die finale IDP eers op 30 Junie 2014 goedgekeur word, voor dit kan gebeur moet die munisipaliteit verseker dat die IDP, die begroting en die SDBIP by mekaar aangepas is. Hierdie begroting is dus 'n kritieke deel van die IDP as 'n sektorale plan.

Ons sal gedurende die begrotings periode ook moet konsentreer om die wykskomitees en Portefeulje Komitees van die Raad meer aktief betrokke te kry in die werksaamhede van die munisipaliteit en die gaping tussen raadslede en die gemeenskap te vernou.

Geagte Raadslede, laat my toe om die 2014/15 begroting aan u voor te lê.

It is my pleasure to present a budget of a total expenditure of **R197,518,274**. This total expenditure is divided into two major components and these are:

Operating Budget of R 165,735,274

From this total operating budget the total employee related costs are **R 48,904,160** and this account for **29%** of the operating budget. I am glad to announce that this is below the nationally accepted norm of 35%. In reality ladies and gentlemen, it means we are utilising our human resources prudently and thus giving us room for human resources expansion should it be deemed necessary in the future.

Capital Budget of R 31,783,000.

The Capital Budget that has been committed to date is **R 31,783,000** and we remain hopeful that this figure will be adjusted upwardly with more funding

commitments from our various service delivery partners in government. This capital budget will be spent as follows:

- | | |
|----------------------------------|--------------|
| • Office Equipment and computers | R 560,000 |
| • Libraries | R 400,000 |
| • Electricity | R 1,500,000 |
| • Water | R 15,000,000 |
| • Waste Water Management | R 6,300,000 |

The Capital Budget accounts for 16 % of the total budget of the municipality. This could be attributed to the fact that according to Census 2011, there has been a decline in the population of Siyancuma from a population of just over 39000 to just over 37 000 people.

Ladies and gentlemen, you will note that this capital budget inhibits the municipality from implementing all its priorities as outlined in the IDP. This situation is further exacerbated by the fact that the municipality is unable to utilise its own plant (yellow fleet) for our day-to-day operations. Had we had our own plant, we would have been able to spend more time providing effective and reliable services. It is therefore our desire to explore the desirability and feasibility of taking up a loan for this purpose.

Councillors, in order to fund the expenditure of the municipality, the municipality will have to put in place a number of revenue related measures and it is hoped

that these will reach a total of R 165,940,725. This is accounted for in the form of grants from National Government and these are viz:

Equitable Share	R 38,021,000
Financial Management Grant	R 1,800,000
Municipal Systems Improvement Grant	R 934,000
Municipal Infrastructure Grant	R 16,023,000
Integrated Municipal Electrification Grant	R 1,500,000
Expanded Public Works Programme	R 1,000,000

The municipality will however need to generate their own income by delivering services to its customers and collect property rates tax from all property owners within the municipality. In this regard the taxes and tariffs for services delivered will be increased as follows:

Property Rates	6 %
Electricity	7,39 %
Water	6 %
Refuse	6 %
Sanitation/Sewer	6 %

Councillors in the presence of all stakeholders and in particular the communities, allow me to reflect on the state of outstanding debt in the municipality. The

Siyancuma Municipality is owed a total of over **R72 million** by its customers. This in effect would have meant that the municipality would have had more than **R 103 million (R72 million + R 31 Million)** in capital projects. Can you imagine how much can be done with R 103 million?

It is our hope to recover this amount of money and in the process supplement our service delivery efforts. In this regard, I urge councillors to be vigilant in the encouragement of customers to pay their rates and taxes and once more for the indigents, we have a process that governs our assistance to them and we need to encourage them to register. We will need to change the payment culture in the municipality and look and endeavours to enhance revenue.

Having said that I think we are all in agreement that we will start with our own officials and councillors who have outstanding municipal debt and we must consistently take a no-nonsense approach towards this.

In conclusion, I believe that the Siyancuma Municipality is on a growth trajectory. In this regard not only have we put in place plans for development, we have also vigorously taken pain to develop a positive organisational culture and have adopted new values and these are:

- ✓ Honesty
- ✓ Responsibility
- ✓ Accessibility

- ✓ Corruption Free
- ✓ High work ethic
- ✓ Rule of law
- ✓ Integrity

Councillors, the officials and in particular the senior management have committed to ensuring that they will institutionalise these values and as such ensure a culture shift within the municipality. I believe that the success of this budget lies in those efforts and the efforts of the collective to be conscious and diligent in the execution of their duties.

Enkosi

Baie dankie

Thank you

Ke a leboga

1.2 Council Resolutions

On 31 March 2014 the Council of Siyancuma Municipality Local Municipality met in the Council Chambers of Siyancuma Municipality to consider the draft annual budget of the municipality for the financial year 2014/15. The Council approved and adopted the following resolutions:

1. The Council of Siyancuma Municipality Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The draft annual budget of the municipality for the financial year 2014/15 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 15 on page 29;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 16 on page 30;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 18 on page 32; and
 - 1.1.4. Single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 19 on page 34.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 20 on page 35;
 - 1.2.2. Budgeted Cash Flows as contained in Table 20 on page 37
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 21 on page 37;
 - 1.2.4. Asset management as contained in Table 22 on page 39; and
 - 1.2.5. Basic service delivery measurement as contained in Table 24 on page 40
2. The Council of Siyancuma Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2014 tariffs as per the attached annexure.
3. The Council of Siyancuma Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2014 the tariffs for other services, as set out as per the attached annexure.
4. To give proper effect to the municipality's annual budget, the Council of Siyancuma Municipality approves:
 - 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in

terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

- 4.2. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers including the appointment of SEBATA for a period of two months to assist with these strategies. Outstanding debtors who can afford to pay, and are not paying are handed over to Herman van Heerden Attorneys for collections. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. One of the initiatives that is used to encourage customers to pay is that rebates are given to those customers who paid their arrear accounts in full. Special attention is given to customer enquiries regarding service delivery. A complaints register is implemented and complaints are dealt within 48 hours.

National Treasury's MFMA Circular No. 70 and 72 were used to guide the compilation of the 2013/14 MTREF.

The main challenges experienced during the compilation of the 2013/14 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The increased cost of bulk water and electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- The municipality prioritise bucket eradication, but although the backlogs were addressed in previous financial years, the challenge is the increase of housing development in the rural areas where bucket systems are temporarily installed;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Availability of funding for priority capital projects – Schmidtsdrift is a new area which form part of Siyancuma's service deliverables. Bulk purchases, new infrastructure development and maintenance expenses are expected to increase, whilst revenue will not cover costs due to the indigent numbers in this area.
- Availability of affordable capital.

The following budget principles and guidelines directly informed the compilation of the 2014/15 MTREF:

- The 2013/14 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2014/15 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs.
- Additional services must be delivered to Schmidtsdrift community and was factored into the capital and operating budget.
- The municipality earmarked R65 million of MIG funding towards the upgrading of gravel roads in the Siyancuma Municipal area over next 3 year period. This project started in March 2013.
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2013/14 Medium-Term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2014/15 MTREF

DESCRIPTION	ADJUSTED BUDGET 2013/14	BUDGET YEAR 2014/15	BUDGET YEAR 2015/16	BUDGET YEAR 2016/17
Total operating revenue	158 004 643	165 940 725	162 804 717	172 842 658
Total operating expenditure	174 456 905	165 735 274	189 652 442	206 329 716
Surplus(deficit) for the year	(16 454 262)	215 451	(26 847 725)	(33 487 058)
Total capital expenditure	14 860 000	31 783 000	3 273 000	2 260 000

Total operating revenue has increased by 5 per cent or R7 936 082 million for the 2014/15 financial year when compared to the 2013/14 Adjustments Budget (before non cash items and repairs and maintenance).

Total operating expenditure for the 2014/15 financial year has been appropriated at R165 735 274 million.

MFMA Circular 55 states that there is no legal requirement that the operating budget must be balanced or be in surplus. However, the deficit in Siyancuma Municipality's operating budget is due to "non-cash items" to the total of R31 577 549 million; consisting of provision for debt Impairment amounting to R11 158 500 million, depreciation and asset impairment of R13 894 417 million and provision for the rehabilitation of land fill sites amounting to R6 525 000 million.

The current implementation of GRAP 17 caused an increase in depreciation and asset impairment that is not fully accommodated in the municipality's tariffs and as a result contributed to the deficit. Measures are put in place to collect outstanding debtors by handed it over for collection by Herman van Heerden Attorneys. The result already proofed to be effective and from 28 May 2012, a debt collection unit was established within the municipality.

The capital budget of R31 783 000 for 2014/15 is less than the capital budget in the 2013/14 Adjustment Budget (R35 935 000). The high amount in the adjustment budget is due to a rollover of MIG funds from the previous year to the amount of R7 200 000. A substantial portion of the capital budget will be funded from grants over MTREF. Grants will also contribute the major portion of the funding for the capital expenditure in the two outer years. The remainder of the funds for the 2014/15 year will be funded from internally generated funds amounting to R560 000.

1.4 Operating Revenue Framework

For Siyancuma Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with maintenance backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 75 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2013/14 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

NC078 Siyancuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue By Source											
Property rates	2	5 734	5 768	6 938	9 326	9 326	9 326	9 326	10 699	11 605	12 418
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	19 813	16 801	23 423	32 262	32 782	32 782	32 782	34 050	36 433	38 983
Service charges - water revenue	2	8 021	9 548	10 730	12 826	13 624	13 624	13 624	16 331	17 475	18 698
Service charges - sanitation revenue	2	4 465	5 169	5 801	5 606	6 351	6 351	6 351	6 545	7 004	7 494
Service charges - refuse revenue	2	3 825	4 287	4 897	5 349	5 913	5 913	5 913	6 224	6 660	7 126
Service charges - other					161	159	159	159			
Rental of facilities and equipment		341	216	416	1 005	1 167	1 167	1 167	1 195	1 277	1 366
Interest earned - external investments		680	970	875	260	260	260	260	260	260	260
Interest earned - outstanding debtors		390	473	561	530	629	629	629	629	400	430
Dividends received											
Fines		61	51	48	7 324	2 173	2 173	2 173	7 236	7 743	8 284
Licences and permits		5	7	13		450	450	450	450	482	515
Agency services		616	533	755	711	711	711	711	711	761	814
Transfers recognised - operational		27 307	34 004	38 250	40 276	40 130	40 130	40 130	50 143	47 509	50 090
Other revenue	2	1 846	1 271	867	419	506	506	506	509	561	599
Gains on disposal of PPE			25	5							
Total Revenue (excluding capital transfers and contributions)		73 105	79 123	93 581	116 054	114 181	114 181	114 181	134 983	138 169	147 079
Expenditure By Type											
Employee related costs	2	20 813	28 349	35 907	43 049	43 142	43 142	43 142	49 141	51 631	55 299
Remuneration of councillors		1 933	2 322	3 066	3 187	3 096	3 096	3 096	3 571	3 750	4 012
Debt impairment	3	6 650	8 124	11 158	8 000	11 159	11 159	11 159	11 159	11 716	12 302
Depreciation & asset impairment	2	9 961	11 034	11 287	9 373	13 559	13 559	13 559	13 894	14 589	15 610
Finance charges		1 930	1 526	2 380	450	435	435	435	414	429	470
Bulk purchases	2	14 652	20 925	23 306	30 350	30 150	30 150	30 150	32 542	34 170	40 942
Other materials	8								7 759	8 152	8 723
Contracted services		-	-	3 353	3 457	3 622	3 622	3 622	3 700	3 885	4 157
Transfers and grants		4 479	4 751	5 451	9 270	9 270	9 270	-	8 084	8 602	9 255
Other expenditure	4, 5	15 229	11 230	9 911	34 369	32 519	32 519	32 519	18 727	19 707	19 868
Loss on disposal of PPE		-	62								
Total Expenditure		75 647	88 323	105 818	141 505	146 952	146 952	137 682	148 992	156 631	170 639
Surplus/(Deficit)		(2 541)	(9 200)	(12 237)	(25 451)	(32 771)	(32 770)	(23 500)	(14 009)	(18 462)	(23 560)
Transfers recognised - capital		17 029	7 122	27 022					23 023	16 303	16 848
Contributions recognised - capital	6	-	1 671	106	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Taxation											
Surplus/(Deficit) after taxation		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)

Table 3 Operating Transfers and Grant Receipts (SA18)

NC078 Siyancuma - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		34 820	36 808	36 233	40 906	40 906	40 906	42 385	42 427	41 902
Local Government Equitable Share		25 280	31 614	31 121	36 736	36 736	36 736	38 021	39 510	38 827
Finance Management		1 200	1 450	1 500	1 650	1 650	1 650	1 800	1 950	2 100
Municipal Systems Improvement		750	790	800	890	890	890	934	967	975
Water Services Operating Subsidy										
Integrated National Electrification Programme		1 483	2 308	-						
EPWP Incentive				2 500	1 000	1 000	1 000	1 000		
Other transfers/grants		6 106	646	312	630	630	630	630		
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	34 820	36 808	36 233	40 906	40 906	40 906	42 385	42 427	41 902
Capital Transfers and Grants										
National Government:		12 567	16 910	21 113	25 275	27 975	27 975	23 823	19 303	18 848
Municipal Infrastructure Grant (MIG)		12 567	16 910	20 513	19 475	19 475	19 475	16 023	16 303	16 848
Rural Households Infrastructure					3 200	6 300	6 300	6 300		
Electrification Grant				600	2 600	2 200	2 200	1 500	3 000	2 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	12 567	16 910	21 113	25 275	27 975	27 975	23 823	19 303	18 848
TOTAL RECEIPTS OF TRANSFERS & GRANTS		47 387	53 718	57 346	66 181	68 881	68 881	66 208	61 730	60 750

References

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must consider in their budget documentation

the inflation forecasts as per MFMA Circular 66 and 67. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increase of Eskom's bulk tariffs are far beyond the mentioned inflation target. Given that this tariff increase is determined by NERSA, the impact on the municipality's electricity bill is largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA);
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a maximum rebate of 50 per cent will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorized as residential.

- The municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2013/14 financial year based on a 10 per cent increase from 1 July 2013 is contained below:

Table 4 Comparison of proposed rates to levied for the 2013/14 financial year

Category	Current Tariff (1 July 2013)	Proposed tariff (from 1 July 2014)
	C	C
Residential properties	0.010551	0.010552
State owned properties	0.010551	0.010552
Business & Commercial	0.011510	0.012201
Agricultural	0.002210	0.002343
Vacant land	0.010551	0.010552
Municipal rateable	0.010551	0.010552
Industrial	0.010551	0.010552
Building Clause	0.049590	0.052565
Public benefit organisation properties	0.010551	0.010552

1.4.2 Sale of Water and Impact on Tariff Increases

Siyancuma municipality carefully review the level and structure of water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

Better maintenance of infrastructure, new dam construction and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. Water is supplied by Vaal Oranje Water Board, which did not increase its bulk tariffs significantly and enable the municipality to increase their tariffs with 10% from 1 July 2013.

In addition 6 kℓ water per 30-day period will again be granted free of charge to Indigent Households.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 5 Proposed Water Tariffs

CATEGORY	CURRENT TARIFFS 2013/14	PROPOSED TARIFFS 2014/15
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
Free for Indigents 0-6kl	0	0
Consumption 0 – 6kl	5.34	5.67
Consumption 7 – 50kl	6.26	6.63
Consumption > 50kl	6.31	6.68

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

Table 6 Comparison between current water charges and increases (Domestic)

Monthly consumption kℓ	Current amount Payable 2013/14 R	Proposed amount Payable 2014/15 R	Difference (Increase) R	Percentage change
6	32.04	34.02	1.98	6%
50	315.50	334.00	18.50	6%

The tariff structure of the 2014/15 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption a higher rate, steadily increasing to a rate of R6.68 per kilolitre for consumption in excess of 50kℓ per 30 day period.

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure resulting in a 8.06 per cent increase in the Eskom bulk electricity tariff to municipalities from 1 July 2014.

Considering the Eskom increases, the electricity tariff of the municipality increased by 7.39 per cent to offset the additional bulk purchase cost from 1 July 2014. Furthermore, it should be noted that given the high tariff increase, the municipality is expecting a reduction in the growth of electricity consumption, which will have a negative impact on the municipality's revenue from electricity sales.

The difference between the bulk purchase increase and tariff increase of 1% will result in a loss in electricity revenue for the municipality.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs for domestic customers:

Table 7 Comparison between current electricity charges and increases (Domestic)

DOMESTIC TARIFFS				COMMERCIAL
DOMESTIC BLOCK 1 0-50kWh	DOMESTIC BLOCK 2 51-350kWh	DOMESTIC BLOCK 3 351-600kWh	DOMESTIC BLOCK 4 > 600kWh	Conventional

(c/kWh)	(c/kWh)	(c/kWh)	(c/kWh)	(c/kWh)
83	93	1.26	1.49	106.35

It should further be noted that NERSA had advised that a stepped tariff structure needs to be implemented from 1 July 2012. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor).

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 6 per cent for sanitation from 1 July 2014 is proposed. This is based on the input cost assumptions related to water. It should be noted that electricity costs contributes approximately 20 per cent of waste water treatment input costs, therefore the higher than CPI increase of 6 per cent for sanitation tariffs. The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation will be applicable to registered indigents only, for buckets an amount of R70.86 and vacuum tanks R106.32; and
- The total revenue expected to be generated from rendering sanitation service amounts to R6 542 million for the 2014/15 financial year.

The following table compares the current and proposed tariffs:

Table 8 Comparison between current sanitation charges and increases

CATEGORY	Current Tariff 1 July 2013	Proposed Tariff 1 July 2014	% increase
Domestic	100.29	106.32	6%
Business	221.33	234.61	6%
Government	880.45	933.27	6%
Buckets	66.85	70.86	6%
Vacuum Tanks	100.29	106.32	6%

1.4.5 Waste Removal and Impact of Tariff Increases

The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration.

An 6 per cent increase in the waste removal tariff is proposed from 1 July 2014. Higher increases will not be viable in 2014/15 owing to the significant increases implemented in previous financial years as well as the overall impact of higher than inflation increases of other services. Any increase higher than 6 per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

The following table compares current and proposed amounts payable from 1 July 2014:

Table 9 Comparison between current waste removal fees and increases

CATEGORY	Current Tariff 1 July 2013	Proposed Tariff 1 July 2014	% increase
Domestic	79.86	84.65	6%
Business	172.24	182.58	6%
Municipal	169.11	179.25	6%

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept at 6 per cent, with the same increase for indigent households as all services are subsidized. Indigent users are sometimes responsible for overuse of electricity and water.

Table 10 MBRR Table SA14 – Household bills

NC078 Siyancuma - Supporting Table SA14 Household bills

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15 % incr.	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		776.82	808.00	872.64	959.90	959.90	959.90	6.0%	1 017.49	1 078.54	1 143.25
Electricity: Basic levy		86.57	104.21	115.70	123.80	123.80	123.80	7.4%	132.95	142.79	153.34
Electricity: Consumption		728.57	851.21	978.89	1 106.61	1 106.61	1 106.61	7.4%	1 177.32	1 264.44	1 358.01
Water: Basic levy		35.92	39.51	42.67	46.94	46.94	46.94	6.0%	49.75	52.74	55.90
Water: Consumption		284.60	313.03	344.33	378.76	378.76	378.76	6.0%	401.49	425.58	451.11
Sanitation		68.50	75.43	81.46	87.98	87.98	87.98	6.0%	93.26	98.86	104.79
Refuse removal		55.61	60.06	64.85	70.05	70.05	70.05	6.0%	74.25	78.71	83.43
Other											
sub-total		2 036.59	2 251.45	2 500.54	2 774.04	2 774.04	2 774.04	6.2%	2 946.51	3 141.66	3 349.83
VAT on Services		159.23	181.96	350.08	388.37	388.37	388.37		412.51	439.83	468.98
Total large household bill:		2 195.82	2 433.41	2 850.62	3 162.41	3 162.41	3 162.41	6.2%	3 359.02	3 581.49	3 818.81
% increase/-decrease			10.8%	17.1%	10.9%	-	-		6.2%	6.6%	6.6%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		305.00	398.00	433.82	477.20	477.20	477.20	6.0%	505.83	536.18	568.35
Electricity: Basic levy		86.57	104.21	115.70	123.80	123.80	123.80	7.4%	132.95	142.79	153.34
Electricity: Consumption		314.00	351.00	389.61	440.26	440.26	440.26	7.4%	466.68	494.68	524.36
Water: Basic levy		35.92	39.51	42.67	46.94	46.94	46.94	6.0%	49.75	52.74	55.90
Water: Consumption		206.28	226.92	245.07	269.58	269.58	269.58	6.0%	285.78	302.90	321.07
Sanitation		68.50	75.43	81.45	87.98	87.98	87.98	6.0%	93.26	98.86	104.79
Refuse removal		55.61	60.06	64.85	70.05	70.05	70.05	6.0%	74.25	78.71	83.43
Other											
sub-total		1 071.88	1 255.13	1 373.17	1 515.81	1 515.81	1 515.81	6.1%	1 608.50	1 706.86	1 811.24
VAT on Services		107.36	120.00	192.24	212.21	212.21	212.21		225.19	238.96	253.57
Total small household bill:		1 179.24	1 375.13	1 565.41	1 728.02	1 728.02	1 728.02	6.1%	1 833.69	1 945.82	2 064.81
% increase/-decrease			16.6%	13.8%	10.4%	-	-		6.1%	6.1%	6.1%
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		158.00	142.00	154.78	170.26	170.26	170.26	6.0%	180.48	191.31	202.79
Electricity: Basic levy		86.57	104.21	115.70	123.80	123.80	123.80	7.4%	132.95	142.79	153.34
Electricity: Consumption		276.50	311.50	336.42	380.15	380.15	380.15	7.4%	408.24	438.45	470.90
Water: Basic levy		35.92	39.51	42.67	46.94	46.94	46.94	6.0%	49.75	52.74	55.90
Water: Consumption		58.80	64.68	69.87	76.86	76.86	76.86	6.0%	81.37	86.25	91.43
Sanitation		68.50	50.28	54.30	58.64	58.64	58.64	6.0%	62.16	65.89	69.84
Refuse removal		55.61	60.06	64.85	70.05	70.05	70.05	6.0%	74.25	78.71	83.43
Other											
sub-total		739.90	772.24	838.59	926.70	926.70	926.70	6.7%	989.20	1 056.14	1 127.63
VAT on Services		64.10	72.66	117.40	129.74	129.74	129.74	#NAME?	138.49	147.86	157.87
Total small household bill:		804.00	844.90	955.99	1 056.44	1 056.44	1 056.44	6.7%	1 127.69	1 204.00	1 285.50
% increase/-decrease			5.1%	13.1%	10.5%	-	-		6.7%	6.8%	6.8%

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2013/14 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;

- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2014/15 budget and MTREF (classified per main type of operating expenditure):

NC078 Siyancuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue By Source											
Property rates	2	5 734	5 768	6 938	9 326	9 326	9 326	9 326	10 699	11 605	12 418
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	19 813	16 801	23 423	32 262	32 782	32 782	32 782	34 050	36 433	38 983
Service charges - water revenue	2	8 021	9 548	10 730	12 826	13 624	13 624	13 624	16 331	17 475	18 698
Service charges - sanitation revenue	2	4 465	5 169	5 801	5 606	6 351	6 351	6 351	6 545	7 004	7 494
Service charges - refuse revenue	2	3 825	4 287	4 897	5 349	5 913	5 913	5 913	6 224	6 660	7 126
Service charges - other					161	159	159	159			
Rental of facilities and equipment		341	216	416	1 005	1 167	1 167	1 167	1 195	1 277	1 366
Interest earned - external investments		680	970	875	260	260	260	260	260	260	260
Interest earned - outstanding debtors		390	473	561	530	629	629	629	629	400	430
Dividends received											
Fines		61	51	48	7 324	2 173	2 173	2 173	7 236	7 743	8 284
Licences and permits		5	7	13		450	450	450	450	482	515
Agency services		616	533	755	711	711	711	711	711	761	814
Transfers recognised - operational		27 307	34 004	38 250	40 276	40 130	40 130	40 130	50 143	47 509	50 090
Other revenue	2	1 846	1 271	867	419	506	506	506	509	561	599
Gains on disposal of PPE			25	5							
Total Revenue (excluding capital transfers and contributions)		73 105	79 123	93 581	116 054	114 181	114 181	114 181	134 983	138 169	147 079
Expenditure By Type											
Employee related costs	2	20 813	28 349	35 907	43 049	43 142	43 142	43 142	49 141	51 631	55 299
Remuneration of councillors		1 933	2 322	3 066	3 187	3 096	3 096	3 096	3 571	3 750	4 012
Debt impairment	3	6 650	8 124	11 158	8 000	11 159	11 159	11 159	11 159	11 716	12 302
Depreciation & asset impairment	2	9 961	11 034	11 287	9 373	13 559	13 559	13 559	13 894	14 589	15 610
Finance charges		1 930	1 526	2 380	450	435	435	435	414	429	470
Bulk purchases	2	14 652	20 925	23 306	30 350	30 150	30 150	30 150	32 542	34 170	40 942
Other materials	8								7 759	8 152	8 723
Contracted services		-	-	3 353	3 457	3 622	3 622	3 622	3 700	3 885	4 157
Transfers and grants		4 479	4 751	5 451	9 270	9 270	9 270	-	8 084	8 602	9 255
Other expenditure	4, 5	15 229	11 230	9 911	34 369	32 519	32 519	32 519	18 727	19 707	19 868
Loss on disposal of PPE		-	62								
Total Expenditure		75 647	88 323	105 818	141 505	146 952	146 952	137 682	148 992	156 631	170 639
Surplus/(Deficit)		(2 541)	(9 200)	(12 237)	(25 451)	(32 771)	(32 770)	(23 500)	(14 009)	(18 462)	(23 560)
Transfers recognised - capital		17 029	7 122	27 022					23 023	16 303	16 848
Contributions recognised - capital	6	-	1 671	106	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Taxation											
Surplus/(Deficit) after taxation		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)

The budgeted allocation for employee related costs for the 2014/15 financial year totals R49 141million, which equals 29.6 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 10 per cent for the 2013/14 financial year. An annual increase of 5 and 8 per cent has been included in the two outer years of the MTREF respectively. Critical posts are prioritized to be filled in 2013/14 and included in the budget.

It should be noted that the total financial implication could not be determined as the applicable municipal wage curve (representing equal pay for equal work at all municipalities in South Africa) has not been finalised.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation, Government Gazette in this regard has been taken into account in compiling the municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 75 per cent and the subsidy of the Indigents. For the 2014/15 financial year this amount equates to R11 158 500 million. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R9 373 million for the 2013/14 financial year. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0.3 per cent (R450 thousand) of operating expenditure for 2013/14 and increases to R563 thousand by 2015/16.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Vaal Oranje Water Board. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2014/15 budget and MTREF provide for growth in the area of asset maintenance of 23 per cent. Repairs and Maintenance expenditure is based on historical information. The reason being that the Technical Department provide no inputs and no asset renewal strategy or repairs and maintenance plans exist. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 11 Operational repairs and maintenance

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

NC078 Siyncuma - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Repairs and maintenance expenditure by Asset Class/Sub-class	1									
Infrastructure		2 083	3 070	3 543	8 306	5 639	5 639	5 702	5 992	6 411
Infrastructure - Road transport		2 083	3 070	1 296	4 013	2 101	2 101	2 101	2 206	2 361
Roads, Pavements & Bridges		2 083	3 070	1 296	4 013	2 101	2 101	2 101	2 206	2 361
Storm water										
Infrastructure - Electricity		-	-	840	1 307	738	738	800	840	899
Generation										
Transmission & Reticulation				840	1 307	738	738	800	840	899
Street Lighting										
Infrastructure - Water		-	-	628	1 376	1 425	1 425	1 426	1 497	1 602
Dams & Reservoirs										
Water purification				628	1 376	1 425	1 425	1 426	1 497	1 602
Reticulation										
Infrastructure - Sanitation		-	-	560	973	837	837	837	884	946
Reticulation										
Sewerage purification				560	973	837	837	837	884	946
Infrastructure - Other		-	-	219	638	538	538	538	565	604
Waste Management				219	638	538	538	538	565	604
Transportation										
Gas										
Other										
Community		-	-	393	1 525	1 036	1 036	1 511	1 586	1 697
Parks & gardens					340	165	165	165	173	185
Sportsfields & stadia						-	-			
Swimming pools						-	-			
Community halls						-	-			
Libraries				8	96	96	96	96	100	107
Recreational facilities				49	210	252	252	402	422	452
Fire, safety & emergency				151	467	108	108	183	192	206
Security and policing					242	285	285	535	562	601
Buses						-	-			
Clinics						-	-			
Museums & Art Galleries						-	-			
Cemeteries				5	110	110	110	110	116	124
Social rental housing						-	-			
Other				180	60	20	20	20	21	22
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	-	554	991	1 022	1 022	597	627	671
General vehicles										
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings				113	291	140	140	185	194	207
Other Buildings				441	700	882	882	413	433	464
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	2 083	3 070	4 490	10 821	7 696	7 696	7 809	8 205	8 779
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		0.7%	1.1%	1.5%	3.5%	2.5%	2.5%	2.3%	2.4%	2.5%
R&M as % Operating Expenditure		2.8%	3.5%	4.2%	7.6%	5.2%	5.2%	5.2%	5.2%	5.1%

For the 2014 financial year, 79 per cent or R8 306 million of total repairs and maintenance will be spent on infrastructure assets.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. The target is to register 4000 more indigent households during the 2013/14 financial year, a process reviewed annually. The increase in Indigents will be Schmidtsdrift and farmers area in Niekerkshoop up to Groblershoop. A sensible total for Indigents are budgeted over the MTREF until the Indigent Register is updated at mid-year. The revenue will be adjusted if necessary in January 2015. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

NC078 Siyancuma - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Multi-year expenditure to be appropriated	1															
Vote 1 - MUNICIPAL MANAGER														-	-	-
Vote 2 - COUNCIL														-	-	-
Vote 3 - CORPORATE AND HUMAN RESOURCES														-	-	-
Vote 4 - FINANCE														-	-	-
Vote 5 - PROPERTIES														-	-	-
Vote 6 - LIBRARIES														-	-	-
Vote 7 - CEMETARY														-	-	-
Vote 8 - PARKS AND RECREATION														-	-	-
Vote 9 - HEALTH SERVICES														-	-	-
Vote 10 - WASTE MANAGEMENT														-	-	-
Vote 11 - PUBLIC WORKS														-	-	-
Vote 12 - ELECTRICITY														-	-	-
Vote 13 - WATER														-	-	-
Vote 14 - WASTE WATER MANAGEMENT														-	-	-
Vote 15 - TRAFFIC														-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - MUNICIPAL MANAGER														-	-	-
Vote 2 - COUNCIL		20			10			20						-	-	-
Vote 3 - CORPORATE AND HUMAN RESOURCES		30		20	20			20		20	20			-	-	-
Vote 4 - FINANCE		2 734		50	30			20	30					-	-	-
Vote 5 - PROPERTIES														-	-	-
Vote 6 - LIBRARIES		630												-	-	-
Vote 7 - CEMETARY														-	-	-
Vote 8 - PARKS AND RECREATION														-	-	-
Vote 9 - HEALTH SERVICES														-	-	-
Vote 10 - WASTE MANAGEMENT														-	-	-
Vote 11 - PUBLIC WORKS		3 007				3 008				3 008				-	-	-
Vote 12 - ELECTRICITY		1 500												-	-	-
Vote 13 - WATER		5 000				5 000				5 000				-	-	-
Vote 14 - WASTE WATER MANAGEMENT		3 100				3 200								-	-	-
Vote 15 - TRAFFIC														-	-	-
Capital single-year expenditure sub-total	2	16 021	-	70	60	11 208	-	60	30	8 028	20	-	-	35 497	22 543	22 233
Total Capital Expenditure	2	16 021	-	70	60	11 208	-	60	30	8 028	20	-	-	35 497	22 543	22 233

Table 12 2013/14 Medium-term capital budget per vote

For 2014/15 an amount of R35 497 000 million has been appropriated for the development of infrastructure.

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have NOT been included in Table 61 MBRR SA35.

NC078 Siyancuma - Supporting Table SA35 Future financial implications of the capital budget

Vote Description R thousand	Ref	2014/15 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Present value
Capital expenditure	1							
Vote 1 - MUNICIPAL MANAGER		-	-	-				
Vote 2 - COUNCIL		50	50	50				
Vote 3 - CORPORATE AND HUMAN RESOURCES		130	137	130				
Vote 4 - FINANCE		2 864	3 054	3 205				
Vote 5 - PROPERTIES		-	-	-				
Vote 6 - LIBRARIES		630	-	-				
Vote 7 - CEMETARY		-	-	-				
Vote 8 - PARKS AND RECREATION		-	-	-				
Vote 9 - HEALTH SERVICES		-	-	-				
Vote 10 - WASTE MANAGEMENT		-	-	-				
Vote 11 - PUBLIC WORKS		9 023	16 303	16 848				
Vote 12 - ELECTRICITY		1 500	3 000	2 000				
Vote 13 - WATER		15 000	-	-				
Vote 14 - WASTE WATER MANAGEMENT		6 300	-	-				
Vote 15 - TRAFFIC		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		35 497	22 543	22 233	-	-	-	-
Future operational costs by vote	2							
Vote 1 - MUNICIPAL MANAGER								
Vote 2 - COUNCIL								
Vote 3 - CORPORATE AND HUMAN RESOURCES								
Vote 4 - FINANCE								
Vote 5 - PROPERTIES								
Vote 6 - LIBRARIES								
Vote 7 - CEMETARY								
Vote 8 - PARKS AND RECREATION								
Vote 9 - HEALTH SERVICES								
Vote 10 - WASTE MANAGEMENT								
Vote 11 - PUBLIC WORKS								
Vote 12 - ELECTRICITY								
Vote 13 - WATER								
Vote 14 - WASTE WATER MANAGEMENT								
Vote 15 - TRAFFIC								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		35 497	22 543	22 233	-	-	-	-

1.7 Annual Budget Tables - Parent Municipality

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2014/15 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 13 MBRR Table A1 - Budget Summary**Explanatory notes to MBRR Table A1 - Budget Summary**

NC078 Siyancuma - Table A1 Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Financial Performance										
Property rates	5 734	5 768	6 938	9 326	9 326	9 326	9 326	10 699	11 605	12 418
Service charges	36 125	35 805	44 851	56 204	58 830	58 830	58 830	63 151	67 571	72 301
Investment revenue	680	970	875	260	260	260	260	260	260	260
Transfers recognised - operational	27 307	34 004	38 250	40 276	40 130	40 130	40 130	50 143	47 509	50 090
Other own revenue	3 259	2 576	2 666	9 989	5 636	5 636	5 636	10 731	11 224	12 009
Total Revenue (excluding capital transfers and contributions)	73 105	79 123	93 581	116 054	114 181	114 181	114 181	134 983	138 169	147 079
Employee costs	20 813	28 349	35 907	43 049	43 142	43 142	43 142	49 141	51 631	55 299
Remuneration of councillors	1 933	2 322	3 066	3 187	3 096	3 096	3 096	3 571	3 750	4 012
Depreciation & asset impairment	9 961	11 034	11 287	9 373	13 559	13 559	13 559	13 894	14 589	15 610
Finance charges	1 930	1 526	2 380	450	435	435	435	414	429	470
Materials and bulk purchases	14 652	20 925	23 306	30 350	30 150	30 150	30 150	40 302	42 322	49 665
Transfers and grants	4 479	4 751	5 451	9 270	9 270	9 270	–	8 084	8 602	9 255
Other expenditure	21 879	19 416	24 422	45 826	47 300	47 300	47 300	33 586	35 309	36 327
Total Expenditure	75 647	88 323	105 818	141 505	146 952	146 952	137 682	148 992	156 631	170 639
Surplus/(Deficit)	(2 541)	(9 200)	(12 237)	(25 451)	(32 771)	(32 770)	(23 500)	(14 009)	(18 462)	(23 560)
Transfers recognised - capital	17 029	7 122	27 022	–	–	–	–	23 023	16 303	16 848
Contributions recognised - capital & contributed a	–	1 671	106	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Capital expenditure & funds sources										
Capital expenditure	18 737	11 464	32 036	26 515	35 935	35 935	35 935	35 497	22 543	22 233
Transfers recognised - capital	14 879	6 630	24 547	25 905	34 765	34 765	34 765	35 187	22 220	21 923
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	3 858	4 834	7 489	610	1 170	1 170	1 170	310	323	310
Total sources of capital funds	18 737	11 464	32 036	26 515	35 935	35 935	35 935	35 497	22 543	22 233
Financial position										
Total current assets	28 009	40 308	26 279	24 510	24 510	24 510	24 510	37 081	33 688	28 901
Total non current assets	290 338	291 246	310 875	312 611	312 611	312 611	312 611	344 196	352 150	358 773
Total current liabilities	16 253	30 982	27 911	30 050	30 050	30 050	30 050	30 452	18 313	16 831
Total non current liabilities	17 001	18 956	23 253	19 768	19 768	19 768	19 768	20 061	20 488	20 646
Community wealth/Equity	285 094	281 617	285 990	359 744	359 744	359 744	359 744	330 764	347 037	350 197
Cash flows										
Net cash from (used) operating	24 369	18 263	10 067	27 079	36 500	36 500	36 500	(31 578)	(46 392)	(51 476)
Net cash from (used) investing	(18 904)	(11 978)	(25 493)	(26 515)	(35 935)	(35 935)	(35 935)	31 585	7 954	6 623
Net cash from (used) financing	1 086	1 921	(1 647)	(565)	(565)	(565)	(565)	(654)	(600)	(466)
Cash/cash equivalents at the year end	13 164	21 370	4 297	10 175	10 176	10 176	10 176	(647)	(39 685)	(85 004)
Cash backing/surplus reconciliation										
Cash and investments available	13 164	24 012	6 785	21 509	21 509	21 509	21 509	25 000	21 000	16 000
Application of cash and investments	4 577	13 995	15 482	26 180	26 845	26 845	26 845	21 101	5 475	3 632
Balance - surplus (shortfall)	8 587	10 017	(8 696)	(4 670)	(5 335)	(5 335)	(5 335)	3 899	15 525	12 368
Asset management										
Asset register summary (WDV)	10 973	339 159	12 054	–	327 637	327 637	9 982	9 982	9 982	9 982
Depreciation & asset impairment	9 961	11 034	11 287	9 373	13 559	13 559	13 894	13 894	14 589	15 610
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	2 083	3 070	4 490	10 821	7 696	7 696	7 809	7 809	8 205	8 779
Free services										
Cost of Free Basic Services provided	420	453	–	1 275	1 275	1 275	1 179	1 179	1 250	1 325
Revenue cost of free services provided	5 903	10 952	–	13 589	13 589	13 589	14 404	14 404	15 268	16 184
Households below minimum service level										
Water:	1	2	–	2	2	2	2	2	2	2
Sanitation/sewerage:	3	3	–	4	4	4	4	4	4	5
Energy:	5	5	–	6	6	6	6	6	7	7
Refuse:	–	–	–	3	3	3	3	3	3	3

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is negative over the MTREF
 - b. Capital expenditure is funded by conditional grants , of which
 - Transfers recognised is reflected on the Financial Performance Budget;
 - Internally generated funds are financed from the current operating revenue. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. The municipality has not yet compiled a Funding and Reserves Policy. The National Treasury MFIP Advisor is currently in the process of drafting the Policy at no expense and will be finalised in the new financial year.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 14 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

NC078 Siyancuma - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		46 160	51 905	48 246	42 099	42 414	42 414	50 905	55 099	59 392
Executive and council		43 906	11 778	-	1 756	1 756	1 756	2 351	2 463	2 581
Budget and treasury office		2 180	40 084	47 799	40 008	40 146	40 146	48 357	52 425	56 585
Corporate services		74	43	447	335	512	512	197	211	226
<i>Community and public safety</i>		336	215	758	954	1 012	1 012	1 622	1 053	1 127
Community and social services		224	127	474	114	170	170	750	120	129
Sport and recreation		112	89	228	840	842	842	872	933	998
Public safety		-	-	56	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		678	0	455	9 035	4 334	4 334	9 023	16	17
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		678	0	455	9 035	4 334	4 334	9 023	16	17
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		36 103	31 046	71 251	63 966	66 420	66 420	93 611	78 793	83 096
Electricity		19 858	16 052	23 971	33 596	34 116	34 116	38 171	42 239	43 985
Water		7 954	5 539	36 581	14 074	14 697	14 697	30 633	16 752	17 923
Waste water management		4 465	5 168	5 801	8 581	9 329	9 329	15 998	10 377	11 103
Waste management		3 825	4 287	4 897	7 716	8 278	8 278	8 809	9 425	10 085
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	83 277	83 166	120 709	116 054	114 181	114 181	155 161	134 961	143 633
Expenditure - Standard										
<i>Governance and administration</i>		41 717	38 080	50 416	48 904	52 301	52 301	58 505	61 471	65 497
Executive and council		22 664	23 494	4 619	6 821	7 956	7 956	856	905	1 022
Budget and treasury office		7 871	8 981	19 302	26 968	30 497	30 497	39 069	41 058	43 620
Corporate services		11 183	5 605	26 495	15 114	13 848	13 848	18 580	19 509	20 855
<i>Community and public safety</i>		3 116	3 862	4 626	6 028	6 427	6 427	7 732	7 715	8 162
Community and social services		877	1 369	1 955	2 873	2 774	2 774	3 610	3 382	3 657
Sport and recreation		2 067	2 281	1 767	2 251	2 723	2 723	2 901	3 050	3 131
Public safety		31	31	805	518	432	432	709	744	796
Housing		-	-	-	-	-	-	-	-	-
Health		140	181	98	385	497	497	513	539	578
<i>Economic and environmental services</i>		3 788	6 919	6 992	12 445	12 885	12 885	24 402	32 439	34 096
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		3 788	6 919	6 992	12 445	12 885	12 885	24 402	32 439	34 096
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		25 757	39 393	46 262	61 952	66 069	66 069	96 486	80 323	88 056
Electricity		16 547	25 093	28 187	36 148	37 188	37 188	41 584	45 077	50 828
Water		2 728	6 636	9 443	5 197	7 498	7 498	24 279	9 743	9 914
Waste water management		3 293	5 098	5 747	9 365	9 589	9 589	17 588	11 837	12 691
Waste management		3 189	2 566	2 885	11 242	11 794	11 794	13 036	13 666	14 623
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	74 378	88 254	108 296	129 328	137 682	137 682	187 125	181 947	195 810
Surplus/(Deficit) for the year		8 898	(5 089)	12 413	(13 273)	(23 501)	(23 501)	(31 965)	(46 986)	(52 178)

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government'

Table 15 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

NC078 Siyancuma - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue by Vote											
Vote 1 - MUNICIPAL MANAGER		1	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL			43 906	11 778	-	1 756	1 756	1 756	2 036	2 126	2 221
Vote 3 - CORPORATE AND HUMAN RESOURCES			193	87	503	327	444	444	394	422	451
Vote 4 - FINANCE			2 180	40 084	47 799	40 008	40 146	40 146	50 157	54 375	58 685
Vote 5 - PROPERTIES			74	43	-	88	197	197	197	211	226
Vote 6 - LIBRARIES			0	-	474	-	0	0	630	-	-
Vote 7 - CEMETARY			30	40	-	35	41	41	41	35	38
Vote 8 - PARKS AND RECREATION			112	89	228	840	842	842	872	933	998
Vote 9 - HEALTH SERVICES			-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT			3 825	4 287	4 897	7 716	8 278	8 278	8 809	9 425	10 085
Vote 11 - PUBLIC WORKS			-	-	455	1 000	1 000	1 000	9 023	16 303	16 848
Vote 12 - ELECTRICITY			19 858	16 052	23 971	33 596	34 116	34 116	38 171	42 239	43 985
Vote 13 - WATER			7 954	5 539	36 581	14 074	14 697	14 697	30 633	16 752	17 923
Vote 14 - WASTE WATER MANAGEMENT			4 465	5 168	5 801	8 581	9 329	9 329	15 998	10 377	11 103
Vote 15 - TRAFFIC			678	0	-	8 035	3 334	3 334	8 397	8 985	9 614
Total Revenue by Vote		2	83 277	83 166	120 709	116 054	114 181	114 181	165 358	162 182	172 178
Expenditure by Vote to be appropriated											
Vote 1 - MUNICIPAL MANAGER		1	1 862	2 605	-	2 304	3 005	3 005	3 207	3 368	3 603
Vote 2 - COUNCIL			20 801	20 889	4 619	4 517	4 951	4 951	5 709	5 992	6 408
Vote 3 - CORPORATE AND HUMAN RESOURCES			217	4 387	27 301	14 347	13 383	13 383	16 415	17 236	18 453
Vote 4 - FINANCE			7 871	8 981	19 302	26 968	30 497	30 497	40 869	43 008	45 720
Vote 5 - PROPERTIES			10 998	1 249	1 955	1 544	1 157	1 157	3 103	3 258	3 486
Vote 6 - LIBRARIES			748	1 203	-	2 042	1 944	1 944	2 611	2 321	2 484
Vote 7 - CEMETARY			129	166	-	572	571	571	720	756	808
Vote 8 - PARKS AND RECREATION			2 067	2 281	1 767	2 251	2 723	2 723	2 901	3 050	3 131
Vote 9 - HEALTH SERVICES			140	181	98	385	497	497	513	539	578
Vote 10 - WASTE MANAGEMENT			3 189	2 566	2 885	11 242	11 794	11 794	13 036	13 666	14 623
Vote 11 - PUBLIC WORKS			3 672	6 842	6 992	9 994	10 693	10 693	21 173	29 061	30 499
Vote 12 - ELECTRICITY			16 547	25 093	28 187	36 148	37 188	37 188	41 584	45 077	50 828
Vote 13 - WATER			2 728	6 636	9 443	5 197	7 498	7 498	24 279	9 743	9 914
Vote 14 - WASTE WATER MANAGEMENT			3 133	5 098	5 747	9 365	9 589	9 589	17 588	11 837	12 691
Vote 15 - TRAFFIC			276	77	-	2 451	2 193	2 193	3 229	3 378	3 707
Total Expenditure by Vote		2	74 378	88 254	108 296	129 328	137 682	137 682	196 935	192 288	206 932
Surplus/(Deficit) for the year		2	8 898	(5 089)	12 413	(13 273)	(23 501)	(23 501)	(31 578)	(30 106)	(34 755)

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality.

Table 16 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

NC078 Siyancuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Revenue By Source											
Property rates	2	5 734	5 768	6 938	9 326	9 326	9 326	9 326	10 699	11 605	12 418
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	19 813	16 801	23 423	32 262	32 782	32 782	32 782	34 050	36 433	38 983
Service charges - water revenue	2	8 021	9 548	10 730	12 826	13 624	13 624	13 624	16 331	17 475	18 698
Service charges - sanitation revenue	2	4 465	5 169	5 801	5 606	6 351	6 351	6 351	6 545	7 004	7 494
Service charges - refuse revenue	2	3 825	4 287	4 897	5 349	5 913	5 913	5 913	6 224	6 660	7 126
Service charges - other					161	159	159	159			
Rental of facilities and equipment		341	216	416	1 005	1 167	1 167	1 167	1 195	1 277	1 366
Interest earned - external investments		680	970	875	260	260	260	260	260	260	260
Interest earned - outstanding debtors		390	473	561	530	629	629	629	629	400	430
Dividends received						-	-	-			
Fines		61	51	48	7 324	2 173	2 173	2 173	7 236	7 743	8 284
Licences and permits		5	7	13		450	450	450	450	482	515
Agency services		616	533	755	711	711	711	711	711	761	814
Transfers recognised - operational		27 307	34 004	38 250	40 276	40 130	40 130	40 130	50 143	47 509	50 090
Other revenue	2	1 846	1 271	867	419	506	506	506	509	561	599
Gains on disposal of PPE			25	5							
Total Revenue (excluding capital transfers and contributions)		73 105	79 123	93 581	116 054	114 181	114 181	114 181	134 983	138 169	147 079
Expenditure By Type											
Employee related costs	2	20 813	28 349	35 907	43 049	43 142	43 142	43 142	49 141	51 631	55 299
Remuneration of councillors		1 933	2 322	3 066	3 187	3 096	3 096	3 096	3 571	3 750	4 012
Debt impairment	3	6 650	8 124	11 158	8 000	11 159	11 159	11 159	11 159	11 716	12 302
Depreciation & asset impairment	2	9 961	11 034	11 287	9 373	13 559	13 559	13 559	13 894	14 589	15 610
Finance charges		1 930	1 526	2 380	450	435	435	435	414	429	470
Bulk purchases	2	14 652	20 925	23 306	30 350	30 150	30 150	30 150	32 542	34 170	40 942
Other materials	8								7 759	8 152	8 723
Contracted services		-	-	3 353	3 457	3 622	3 622	3 622	3 700	3 885	4 157
Transfers and grants		4 479	4 751	5 451	9 270	9 270	9 270	-	8 084	8 602	9 255
Other expenditure	4, 5	15 229	11 230	9 911	34 369	32 519	32 519	32 519	18 727	19 707	19 868
Loss on disposal of PPE		-	62								
Total Expenditure		75 647	88 323	105 818	141 505	146 952	146 952	137 682	148 992	156 631	170 639
Surplus/(Deficit)		(2 541)	(9 200)	(12 237)	(25 451)	(32 771)	(32 770)	(23 500)	(14 009)	(18 462)	(23 560)
Transfers recognised - capital		17 029	7 122	27 022					23 023	16 303	16 848
Contributions recognised - capital		-	1 671	106	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Taxation											
Surplus/(Deficit) after taxation		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R165 940 million in 2014/15 and increase to R172 842 million by 2016/17.
2. Revenue to be generated from property rates is R 10 699 million in the 2014/15 financial year and increases to R12 418 million by 2016/17 which represents per cent of the operating revenue base of the municipality and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term and tariff

increases have been factored in at 8 per cent, 8 per cent and 8 per cent for each of the respective financial years over the MTREF.

3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R63 150 million for the 2014/15 financial year and increasing to R72 301 million by 2016/17. This growth can mainly be attributed to the increases in tariffs over the MTREF.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that the grants receipts from national government are growing steadily over the MTREF.
5. Bulk purchases have significantly increased over the 2010/11 to 2014/15 period escalating from R14 652 million to R32 092 million. These increases can be attributed to the substantial increase in the cost of bulk Electricity from Eskom .
6. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

Table 17 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

NC078 Siyancuma - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE AND HUMAN RESOURCES		-	-	-	-	-	-	-	-	-	-
Vote 4 - FINANCE		-	-	-	-	-	-	-	-	-	-
Vote 5 - PROPERTIES		-	-	-	-	-	-	-	-	-	-
Vote 6 - LIBRARIES		-	-	-	-	-	-	-	-	-	-
Vote 7 - CEMETARY		-	-	-	-	-	-	-	-	-	-
Vote 8 - PARKS AND RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 9 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 11 - PUBLIC WORKS		-	-	-	-	-	-	-	-	-	-
Vote 12 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-
Vote 13 - WATER		-	-	-	-	-	-	-	-	-	-
Vote 14 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 15 - TRAFFIC		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		-	-	13	-	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	136	100	50	50	50	50	50	50
Vote 3 - CORPORATE AND HUMAN RESOURCES		399	424	6 289	130	130	130	130	130	137	130
Vote 4 - FINANCE		3 459	-	570	130	130	130	130	2 864	3 054	3 205
Vote 5 - PROPERTIES		-	-	-	-	-	-	-	-	-	-
Vote 6 - LIBRARIES		-	-	81	630	400	400	400	630	-	-
Vote 7 - CEMETARY		-	-	-	-	-	-	-	-	-	-
Vote 8 - PARKS AND RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 9 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		-	-	330	-	-	-	-	-	-	-
Vote 11 - PUBLIC WORKS		5 355	4 410	8 596	-	14 775	14 775	14 775	9 023	16 303	16 848
Vote 12 - ELECTRICITY		555	2 658	1 146	2 600	2 200	2 200	2 200	1 500	3 000	2 000
Vote 13 - WATER		7 461	1 909	14 458	19 475	11 700	11 700	11 700	15 000	-	-
Vote 14 - WASTE WATER MANAGEMENT		1 507	2 063	416	3 200	6 300	6 300	6 300	6 300	-	-
Vote 15 - TRAFFIC		-	-	-	250	250	250	250	-	-	-
Capital single-year expenditure sub-total		18 737	11 464	32 036	26 515	35 935	35 935	35 935	35 497	22 543	22 233
Total Capital Expenditure - Vote		18 737	11 464	32 036	26 515	35 935	35 935	35 935	35 497	22 543	22 233
Capital Expenditure - Standard											
Governance and administration		3 858	424	6 815	360	310	310	310	3 044	3 240	3 385
Executive and council		-	-	149	100	50	50	50	50	50	50
Budget and treasury office		3 459	-	570	130	130	130	130	2 864	3 054	3 205
Corporate services		399	424	6 097	130	130	130	130	130	137	130
Community and public safety		-	-	274	880	650	650	650	630	-	-
Community and social services		-	-	81	630	630	630	630	630	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	193	250	20	20	20	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		5 355	4 410	8 596	-	14 775	14 775	14 775	9 023	16 303	16 848
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		5 355	4 410	8 596	-	14 775	14 775	14 775	9 023	16 303	16 848
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		9 524	6 630	16 351	25 275	20 200	20 200	20 200	22 800	3 000	2 000
Electricity		555	2 658	1 146	2 600	2 200	2 200	2 200	1 500	3 000	2 000
Water		7 461	1 909	14 458	19 475	11 700	11 700	11 700	15 000	-	-
Waste water management		1 507	2 063	416	3 200	6 300	6 300	6 300	6 300	-	-
Waste management		-	-	330	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	18 737	11 464	32 036	26 515	35 935	35 935	35 935	35 497	22 543	22 233
Funded by:											
National Government		14 879	6 630	24 491	25 275	33 735	33 735	33 735	34 557	22 220	21 923
Provincial Government		-	-	56	630	1 030	1 030	1 030	630	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	14 879	6 630	24 547	25 905	34 765	34 765	34 765	35 187	22 220	21 923
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		3 858	4 834	7 489	610	1 170	1 170	1 170	310	323	310
Total Capital Funding	7	18 737	11 464	32 036	26 515	35 935	35 935	35 935	35 497	22 543	22 233

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme by municipal vote; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The capital programme is funded from capital and provincial grants and transfers, and internally generated funds from current year surpluses. These funding sources are further discussed in detail in 2.6 (Overview of Budget Funding).

Table 18 MBRR Table A6 - Budgeted Financial Position

NC078 Siyancuma - Table A6 Budgeted Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Current assets											
Cash		13 164	24 012	6 785	21 509	21 509	21 509	21 509	25 000	21 000	16 000
Call investment deposits	1	–	–	–	–	–	–	–	–	–	–
Consumer debtors	1	9 722	11 001	10 486	3 001	3 001	3 001	3 001	3 301	3 801	4 001
Other debtors		5 023	5 089	8 586					8 780	8 887	8 900
Current portion of long-term receivables											
Inventory	2	100	207	422							
Total current assets		28 009	40 308	26 279	24 510	24 510	24 510	24 510	37 081	33 688	28 901
Non current assets											
Long-term receivables											
Investments											
Investment property		9 982	9 982	9 982					9 982	9 982	9 982
Investment in Associate											
Property, plant and equipment	3	278 641	279 048	297 971	312 611	312 611	312 611	312 611	334 214	342 168	348 791
Agricultural		–	–	–							
Biological		468	1 059	1 614							
Intangible		523	480	458							
Other non-current assets		724	677	849							
Total non current assets		290 338	291 246	310 875	312 611	312 611	312 611	312 611	344 196	352 150	358 773
TOTAL ASSETS		318 348	331 555	337 154	337 121	337 121	337 121	337 121	381 277	385 838	387 674
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	637	1 321	2 140	565	565	565	565	621	609	598
Consumer deposits		184	176	188							
Trade and other payables	4	15 432	29 486	21 399	29 486	29 486	29 486	29 486	29 831	17 704	16 233
Provisions				4 185							
Total current liabilities		16 253	30 982	27 911	30 050	30 050	30 050	30 050	30 452	18 313	16 831
Non current liabilities											
Borrowing		3 067	4 078	6 333	3 312	3 312	3 312	3 312	3 400	3 602	3 410
Provisions		13 934	14 878	16 920	16 455	16 455	16 455	16 455	16 661	16 886	17 236
Total non current liabilities		17 001	18 956	23 253	19 768	19 768	19 768	19 768	20 061	20 488	20 646
TOTAL LIABILITIES		33 254	49 937	51 164	49 818	49 818	49 818	49 818	50 513	38 801	37 477
NET ASSETS	5	285 094	281 617	285 990	287 303	287 303	287 303	287 303	330 764	347 037	350 197
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		285 094	281 617	285 947	359 744	359 744	359 744	359 744	330 764	347 037	350 197
Reserves	4	–	–	43	–	–	–	–	–	–	–
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	285 094	281 617	285 990	359 744	359 744	359 744	359 744	330 764	347 037	350 197

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).

2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table A6 is supported by an extensive table of notes (SA3 which can be found on page 102) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 19 MBRR Table A7 - Budgeted Cash Flow Statement

NC078 Siyancuma - Table A7 Budgeted Cash Flows

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other			33 216	42 483	16 894	83 202	64 949	64 949	64 949	61 122	87 133	94 477
Government - operating		1	27 307	34 004	38 250	40 276	40 130	40 130	40 130	48 643	44 509	48 090
Government - capital		1	17 029	7 122	27 022	25 905	43 818	43 818	43 818	24 523	3 016	2 017
Interest			1 070	1 443	1 436	790	889	889	889			
Dividends						-	-	-	-			
Payments												
Suppliers and employees			(52 157)	(65 248)	(71 156)	(114 971)	(105 399)	(105 399)	(105 399)	(147 369)	(154 819)	(168 637)
Finance charges			(1 930)	(1 526)	(2 380)	(450)	(435)	(435)	(435)	(414)	(429)	(470)
Transfers and Grants		1	(165)	(14)	-	(7 672)	(7 452)	(7 452)	(7 452)	(18 083)	(25 802)	(26 953)
NET CASH FROM/(USED) OPERATING ACTIVITIES			24 369	18 263	10 067	27 079	36 500	36 500	36 500	(31 578)	(46 392)	(51 476)
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			-	104	1 751							
Decrease (Increase) in non-current debtors			16							31 585	7 954	6 623
Decrease (increase) other non-current receivables												
Decrease (increase) in non-current investments												
Payments												
Capital assets			(18 920)	(12 081)	(27 244)	(26 515)	(35 935)	(35 935)	(35 935)			
NET CASH FROM/(USED) INVESTING ACTIVITIES			(18 904)	(11 978)	(25 493)	(26 515)	(35 935)	(35 935)	(35 935)	31 585	7 954	6 623
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans												
Borrowing long term/refinancing			3 459	2 966	1 638					-	-	110
Increase (decrease) in consumer deposits			11	(9)	12							
Payments												
Repayment of borrowing			(2 384)	(1 036)	(3 297)	(565)	(565)	(565)	(565)	(654)	(600)	(576)
NET CASH FROM/(USED) FINANCING ACTIVITIES			1 086	1 921	(1 647)	(565)	(565)	(565)	(565)	(654)	(600)	(466)
NET INCREASE/ (DECREASE) IN CASH HELD			6 551	8 205	(17 073)	(0)	(0)	(0)	(0)	(647)	(39 038)	(45 319)
Cash/cash equivalents at the year begin:		2	6 613	13 164	21 370	10 176	10 176	10 176	10 176		(647)	(39 685)
Cash/cash equivalents at the year end:		2	13 164	21 370	4 297	10 175	10 176	10 176	10 176	(647)	(39 685)	(85 004)

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The cash flow of the municipality fluctuate significantly over the 2010/11 to 2016/17 period due to a net decrease in cash since the 2012/13 financial year.
4. As part of the 2013/14 mid-year review and Adjustments Budget this unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.
5. A positive cash flow of R0 was budgeted for the 2013/14 financial year but the planning for the next two financial years should be adjusted to enable a positive cash flow.

Table 20 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

NC078 Siyancuma - Table A8 Cash backed reserves/accumulated surplus reconciliation

NC076 Sri Lanka - Table A6 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Cash and investments available											
Cash/cash equivalents at the year end	1	13 164	21 370	4 297	10 175	10 176	10 176	10 176	(647)	(39 685)	(85 004)
Other current investments > 90 days		(0)	2 642	2 488	11 334	11 334	11 334	11 334	25 647	60 685	101 004
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		13 164	24 012	6 785	21 509	21 509	21 509	21 509	25 000	21 000	16 000
Application of cash and investments											
Unspent conditional transfers		9 950	22 543	10 119	22 543	22 543	22 543	22 543	22 541	10 123	8 500
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(5 373)	(8 548)	5 363	3 637	4 302	4 302	4 302	(1 440)	(4 648)	(4 868)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		4 577	13 995	15 482	26 180	26 845	26 845	26 845	21 101	5 475	3 632
Surplus(shortfall)		8 587	10 017	(8 696)	(4 670)	(5 335)	(5 335)	(5 335)	3 899	15 525	12 368

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

Table 21 MBRR Table A9 - Asset Management

NC078 Siyancuma - Table A9 Asset Management

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CAPITAL EXPENDITURE											
Total New Assets	1		18 737	11 464	32 036	26 515	35 935	35 935	31 533	19 626	19 158
Infrastructure - Road transport			5 355	4 410	8 485	-	14 775	14 775	8 023	16 303	16 848
Infrastructure - Electricity			555	2 658	1 146	2 600	2 200	2 200	1 500	3 000	2 000
Infrastructure - Water			7 461	1 909	14 458	19 475	11 700	11 700	15 000	-	-
Infrastructure - Sanitation			1 507	2 063	377	3 200	6 300	6 300	6 300	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			14 879	11 040	24 466	25 275	34 975	34 975	30 823	19 303	18 848
Community			-	-	81	880	650	650	400	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets	6		3 858	424	7 489	360	310	310	310	323	310
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport			-	-	-	-	-	-	-	-	-
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			-	-	-	-	-	-	-	-	-
Community			-	-	-	-	-	-	-	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets	6		-	-	-	-	-	-	-	-	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport			5 355	4 410	8 485	-	14 775	14 775	8 023	16 303	16 848
Infrastructure - Electricity			555	2 658	1 146	2 600	2 200	2 200	1 500	3 000	2 000
Infrastructure - Water			7 461	1 909	14 458	19 475	11 700	11 700	15 000	-	-
Infrastructure - Sanitation			1 507	2 063	377	3 200	6 300	6 300	6 300	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			14 879	11 040	24 466	25 275	34 975	34 975	30 823	19 303	18 848
Community			-	-	81	880	650	650	400	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets	6		3 858	424	7 489	360	310	310	310	323	310
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2		18 737	11 464	32 036	26 515	35 935	35 935	31 533	19 626	19 158
ASSET REGISTER SUMMARY - PPE (WDV)											
Infrastructure - Road transport	5										
Infrastructure - Electricity											
Infrastructure - Water											
Infrastructure - Sanitation											
Infrastructure - Other				327 637			327 637	327 637			
Infrastructure			-	327 637	-	-	327 637	327 637	-	-	-
Community											
Heritage assets											
Investment properties			9 982	9 982	9 982	-	-	-	9 982	9 982	9 982
Other assets											
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			468	1 059	1 614	-	-	-	-	-	-
Intangibles			523	480	458	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5		10 973	339 159	12 054	-	327 637	327 637	9 982	9 982	9 982
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment			9 961	11 034	11 287	9 373	13 559	13 559	13 894	14 589	15 610
Repairs and Maintenance by Asset Class	3		2 083	3 070	4 490	10 821	7 696	7 696	7 809	8 205	8 779
Infrastructure - Road transport			2 083	3 070	1 296	4 013	2 101	2 101	2 101	2 206	2 361
Infrastructure - Electricity			-	-	840	1 307	738	738	800	840	899
Infrastructure - Water			-	-	628	1 376	1 425	1 425	1 426	1 497	1 602
Infrastructure - Sanitation			-	-	560	973	837	837	837	884	946
Infrastructure - Other			-	-	219	638	538	538	538	565	604
Infrastructure			2 083	3 070	3 543	8 306	5 639	5 639	5 702	5 992	6 411
Community			-	-	393	1 525	1 036	1 036	1 511	1 586	1 697
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets	6, 7		-	-	554	991	1 022	1 022	597	627	671
TOTAL EXPENDITURE OTHER ITEMS			12 044	14 104	15 776	20 194	21 254	21 254	21 704	22 794	24 390

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. Unfortunately due to the huge backlogs the municipality cannot attend to the renewal of assets yet.

Table 22 MBRR Table A10 - Basic Service Delivery Measurement

NC078 Siyancuma - Table A10 Basic service delivery measurement

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Household service targets	1									
Water:										
Piped water inside dwelling		350	320		453	453	453	696	766	842
Piped water inside yard (but not in dwelling)		320	450		385	385	385	424	466	512
Using public tap (at least min.service level)	2	600	720		990	990	990	1 089	1 198	1 318
Other water supply (at least min.service level)	4	490	370		660	660	660	726	799	878
<i>Minimum Service Level and Above sub-total</i>		1 760	1 860	–	2 488	2 488	2 488	2 935	3 228	3 550
Using public tap (< min.service level)	3	110	950		990	990	990	1 089	1 198	1 318
Other water supply (< min.service level)	4	250	350		220	220	220	242	266	293
No water supply		450	600		385	385	385	424	466	512
<i>Below Minimum Service Level sub-total</i>		810	1 900	–	1 595	1 595	1 595	1 755	1 930	2 123
Total number of households	5	2 570	3 760	–	4 083	4 083	4 083	4 690	5 158	5 673
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		2 372	2 372		4 620	4 620	4 620	5 082	5 590	6 149
Flush toilet (with septic tank)		788	788		1 452	1 452	1 452	1 597	1 757	1 933
Chemical toilet		466	466		216	216	216	238	261	287
Pit toilet (ventilated)		–	–		–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–		–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		3 626	3 626	–	6 288	6 288	6 288	6 917	7 608	8 369
Bucket toilet		1 434	1 434		1 577	1 577	1 577	1 735	1 908	2 099
Other toilet provisions (< min.service level)		1 899	1 899		2 089	2 089	2 089	2 298	2 528	2 780
No toilet provisions		–	–		–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		3 333	3 333	–	3 666	3 666	3 666	4 033	4 436	4 879
Total number of households	5	6 959	6 959	–	9 954	9 954	9 954	10 949	12 044	13 249
Energy:										
Electricity (at least min.service level)		4 186	4 186		5 280	5 280	5 280	5 808	6 389	7 028
Electricity - prepaid (min.service level)		286	286		–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		4 472	4 472	–	5 280	5 280	5 280	5 808	6 389	7 028
Electricity (< min.service level)		4 758	4 758		4 400	4 400	4 400	4 840	5 324	5 856
Electricity - prepaid (< min.service level)		723	723		1 172	1 172	1 172	1 289	1 418	1 560
Other energy sources		–	–		–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		5 481	5 481	–	5 572	5 572	5 572	6 129	6 742	7 416
Total number of households	5	9 953	9 953	–	10 852	10 852	10 852	11 937	13 131	14 444
Refuse:										
Removed at least once a week		3 583	3 583		3 812	3 812	3 812	4 193	4 613	5 074
<i>Minimum Service Level and Above sub-total</i>		3 583	3 583	–	3 812	3 812	3 812	4 193	4 613	5 074
Removed less frequently than once a week		–	–		1 320	1 320	1 320	1 452	1 597	1 757
Using communal refuse dump		–	–		–	–	–	–	–	–
Using own refuse dump		–	–		557	557	557	557	557	557
Other rubbish disposal		–	–		660	660	660	660	660	660
No rubbish disposal		–	–		–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	2 537	2 537	2 537	2 669	2 814	2 974
Total number of households	5	3 583	3 583	–	6 348	6 348	6 348	6 862	7 427	8 048
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		2 560	2 027		2 500	2 500	2 500	2 750	3 025	3 328
Sanitation (free minimum level service)		2 560	2 027		2 500	2 500	2 500	2 750	3 025	3 328
Electricity/other energy (50kwh per household per month)		2 560	2 027		1 505	1 505	1 505	1 656	1 821	2 003
Refuse (removed at least once a week)		2 560	2 027		2 500	2 500	2 500	2 750	3 025	3 328
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		245	245		281	281	281	298	316	335
Sanitation (free sanitation service)		78	90		136	136	136	144	153	162
Electricity/other energy (50kwh per household per month)		34	47		696	696	696	738	782	829
Refuse (removed once a week)		63	71		162	162	162	162	162	162
Total cost of FBS provided (minimum social package)		420	453	–	1 275	1 275	1 275	1 379	1 425	1 488
Highest level of free service provided										
Property rates (R value threshold)		n/a	15 000		15 000	15 000	15 000	15 000	15 000	15 000
Water (kilolitres per household per month)		6	6		6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–		–	–	–	–	–	–
Sanitation (Rand per household per month)		39	42		93	93	93	93	98	104
Electricity (kwh per household per month)		50	50		50	50	50	50	50	50
Refuse (average litres per week)		1	1		1	1	1	1	1	1
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)		N/A	5 049		6 355	6 355	6 355	6 736	7 140	7 569
Water		806	806		871	871	871	923	979	1 037
Sanitation		1 704	1 704		2 751	2 751	2 751	2 916	3 090	3 275
Electricity/other energy		1 342	1 342		1 421	1 421	1 421	1 506	1 597	1 692
Refuse		2 051	2 051		2 191	2 191	2 191	2 322	2 462	2 610
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	5 903	10 952	–	13 589	13 589	13 589	14 404	15 268	16 184

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The Municipality continues to make good progress with the eradication of backlogs although the municipality is entirely dependent on conditional grants to achieve total eradication.

Part 2 – Supporting Documentation

1.8 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor who is responsible for the finances of the municipality.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

1.8.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2011) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule before 31 August 2013. Key dates applicable to the process were:

- **August 2013** – Joint strategic planning session of the Mayoral Committee and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2012/13 MTREF;
- **November 2013** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines;

- **to 7 January 2014** - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- **January 2014** – Multi-year budget proposals are submitted to the Mayoral Committee for endorsement;
- **28 January 2014** - Council considers the 2012/13 Mid-year Review and Adjustments Budget;
- **February 2014** - Recommendations of the Mayoral Committee are communicated to the Budget Steering Committee, and on to the respective departments. The draft 2013/14 MTREF is revised accordingly;
- **25 March 2014** - Tabling in Council of the draft 2013/14 IDP and 2013/14 MTREF for public consultation;
- **April 2014**– Public consultation;
- **6 May 2014** - Closing date for written comments;
- **6 to 21 May 2014**– finalisation of the 2014/15 IDP and 2014/15 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
- **29 May 2014** - Tabling of the 2014/15 MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

1.8.2 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

With the compilation of the 2014/15 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2013/14 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

1.8.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2014/15 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2014/15 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2013/14 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Budget Circulars has been taken into consideration in the planning and prioritisation process.

1.8.4 Community Consultation

The draft 2014/15 MTREF as tabled before Council on 27 March 2014 for community consultation was published, and hard copies were made available at customer care offices, municipal notice boards and various offices.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make comments.

Ward Committees were utilised to facilitate the community consultation process from 20 to 28 May 2014, and included nine public briefing sessions. The applicable dates and venues were published in all the local newspapers and on average attendance of 80 was recorded per meeting. Other stakeholders involved in the consultation included churches, non-governmental institutions and community-based organisation

1.9 Overview of alignment of annual budget with IDP

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2014/15 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 23 IDP Strategic Objectives

2013/14 Financial Year	2013/14 - 16 MTREF
1. Basic Service Delivery	1. Sewerage Refuse removal Electricity admin, generation and distribution Water storage and distribution Cemetery Main roads Commonage Municipal Buildings Public works Parks and gardens
2. Good Governance and Public Participation	2. Good Governance and Public Participation Executive and Council Corporate Services
3. Municipal Financial Viability	3.1 Rates 3.2 Budget and Treasury Office
4. Municipal Institutional Development and Transformation	4. Library Health Museums Clinics
5. Local Economic Development	5.1 Fire Service 5.2 Traffic and licencing 5.3 Civil Defence

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide Electricity;
 - Provide water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;
 - Provide Municipality planning services; and
 - Maintaining the infrastructure of the Municipality.
2. Economic growth and development that leads to sustainable job creation by:
 - Ensuring there is a clear structural plan for the Municipality;
 - Ensuring planning processes function in accordance with set timeframes;
 - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.

3.1 Fight poverty and build clean, healthy, safe and sustainable communities:

- Effective implementation of the Indigent Policy;
- Extending waste removal services and ensuring effective Municipality cleansing;
- Ensuring all waste water treatment works are operating optimally;
- Working with strategic partners such as SAPS to address crime;
- Ensuring safe working environments by effective enforcement of building and health regulations;
- Promote viable, sustainable communities through proper zoning; and

3.2 Integrated Social Services for empowered and sustainable communities

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme

4. Foster participatory democracy and Siyancuma principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
- Implementing Siyancuma in the revenue management strategy.

5.1 Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website

5.2 Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure Municipality to achieve set objectives

- Review of the organizational structure to optimize the use of personnel;

The 2014/15 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 24 MBRR revenue Table SA4 - Reconciliation between the IDP strategic objectives and budget

NC078 Siyancuma - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
R thousand													
BASIC SERVICE DELIVERY	Waste Water Management			4 465	5 168		5 606	6 351	6 351	6 542	7 000	7 490	
	Waste Management			3 825	4 287		5 348	5 912	5 912	6 267	6 708	7 175	
	Public Works												
	Water			7 954	5 539		12 986	13 783	13 783	14 588	15 610	16 702	
Municipal Inst Development	Electricity			19 858	16 052		32 262	32 782	32 782	35 796	38 302	40 983	
Municipal Financial Viability & Management	Budget Office			2 180	40 084		10 160	10 298	10 298	11 671	12 355	13 203	
	Properties			74	43		88	197	197	197	211	226	
	Holiday Resort			112	89		840	842	842	872	933	998	
Good Governance & Public Participation	Municipal Manager												
	Council			43 906	11 778		-	-	-	-	-	-	
	Corporate Services						247	315	315	315	337	360	
	Community Services			224	127		115	170	170	170	172	184	
	Traffic			678	0		8 035	3 334	3 334	8 397	8 985	9 614	
	Disaster Management												
Local Economic Development													
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)				1	83 277	83 166	-	75 688	73 985	73 985	84 815	90 612	96 935

Table 25 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

NC078 Siyancuma - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
R thousand													
BASIC SERVICE DELIVERY	Waste Water Management			3 133	5 098		7 899	8 084	8 084	8 887	9 315	9 993	
	Waste Management			3 189	2 566		5 219	5 735	5 735	6 432	6 732	7 204	
	Public Works			3 672	6 842		10 372	8 043	8 043	8 024	8 425	9 015	
	Water			2 728	6 636		6 116	6 294	6 294	6 599	6 928	7 407	
	Electricity			16 547	25 093		36 608	36 064	36 064	38 754	40 691	47 921	
	Municipal Inst Development												
Municipal Financial Viability & Management	Budget Office			7 871	8 981		16 528	16 799	16 799	18 851	19 846	21 231	
	Properties			10 998	1 249		1 210	815	815	2 535	2 662	2 848	
	Holiday Resort			1 067	1 067		1 998	2 841	2 841	2 601	3 669	3 793	
Good Governance & Public Participation	Municipal Manager			1 862	2 605		2 428	2 863	2 863	3 064	3 218	3 443	
	Council			20 801	20 889		4 436	4 509	4 509	5 035	5 286	5 657	
	Corporate Services			185	4 356		13 475	12 430	12 430	14 945	15 692	16 788	
	Community Services			2 018	2 764		1 604	3 141	3 141	3 256	3 534	3 581	
	Traffic			276	77		2 391	2 228	2 228	2 729	2 865	3 066	
Local Economic Development	Disaster Management			31	31		743	540	540	709	744	797	
Allocations to other priorities													
Total Expenditure				1	74 378	88 254	-	111 026	110 384	110 386	122 421	129 610	142 742

Table 26 MBRR Table SA6 - Reconciliation between the IDP strategic objectives.

NC078 Siyancuma - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand												
BASIC SERVICE DELIVERY	Waste Water Management	A		1 507	2 063		3 200	6 300	6 300	6 300		
	Waste Management	B		–	–							
	Public Works	C		5 355	4 410			14 775	14 775	8 023	16 303	16 848
	Water	D		7 461	1 909		19 475	11 700	11 700	15 000		
	Electricity	E		555	2 658		2 600	2 200	2 200	1 500	3 000	3 000
	Municipal Inst Development	F										
		G										
Municipal Financial Viability & Management	Budget Office	H		3 459	–		2 540	2 540	2 540	2 734	2 917	3 075
	Properties	I		–	–							
	Holiday Resort	J										
Good Governance & Public Participation	Municipal Manager	K										
	Council	L		–	–							
	Corporate Services	M		399	424			400	400	400		
	Community Services	N		–	–							
	Traffic	O		–	–							
	Disaster Management	P		–	–							
Local Economic Development			3									
Total Capital Expenditure			1	18 737	11 464	–	27 815	37 915	37 915	33 957	22 220	22 923

1.10 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The municipality target, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

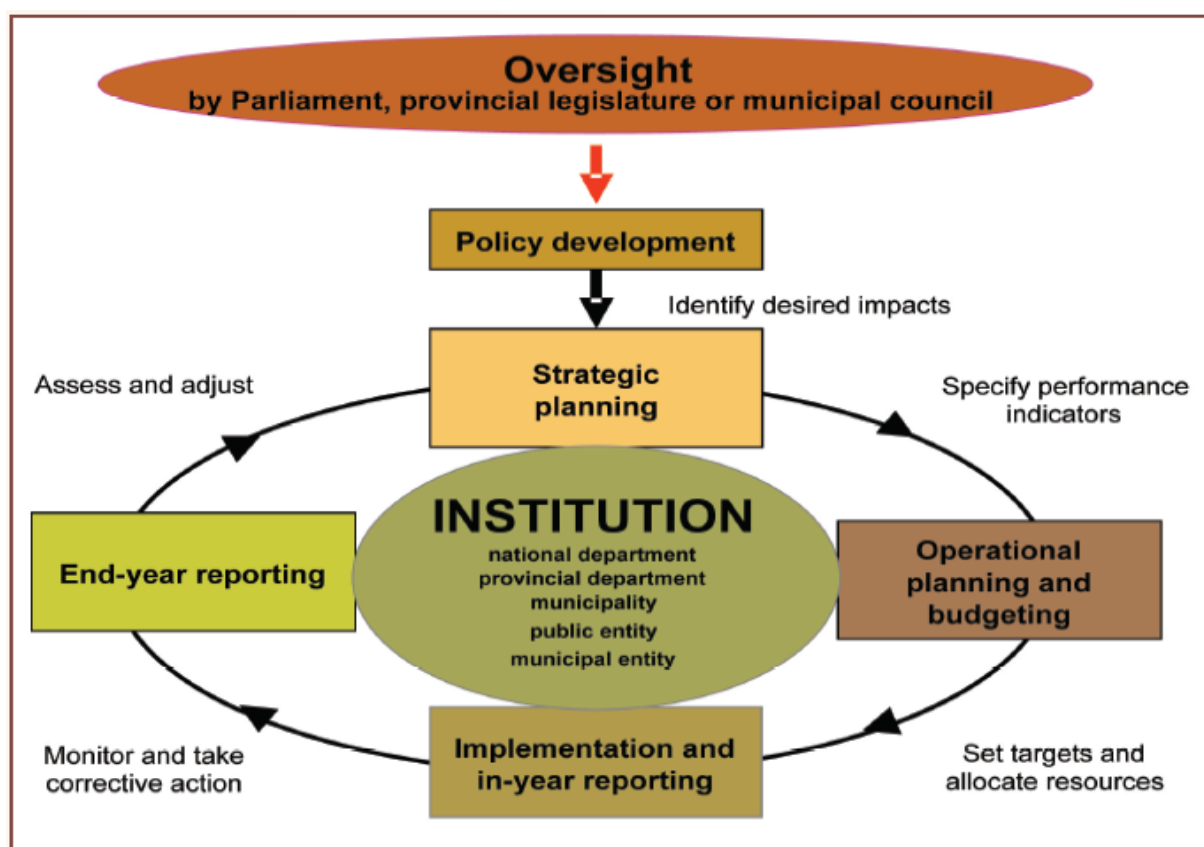


Figure 1 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting

stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

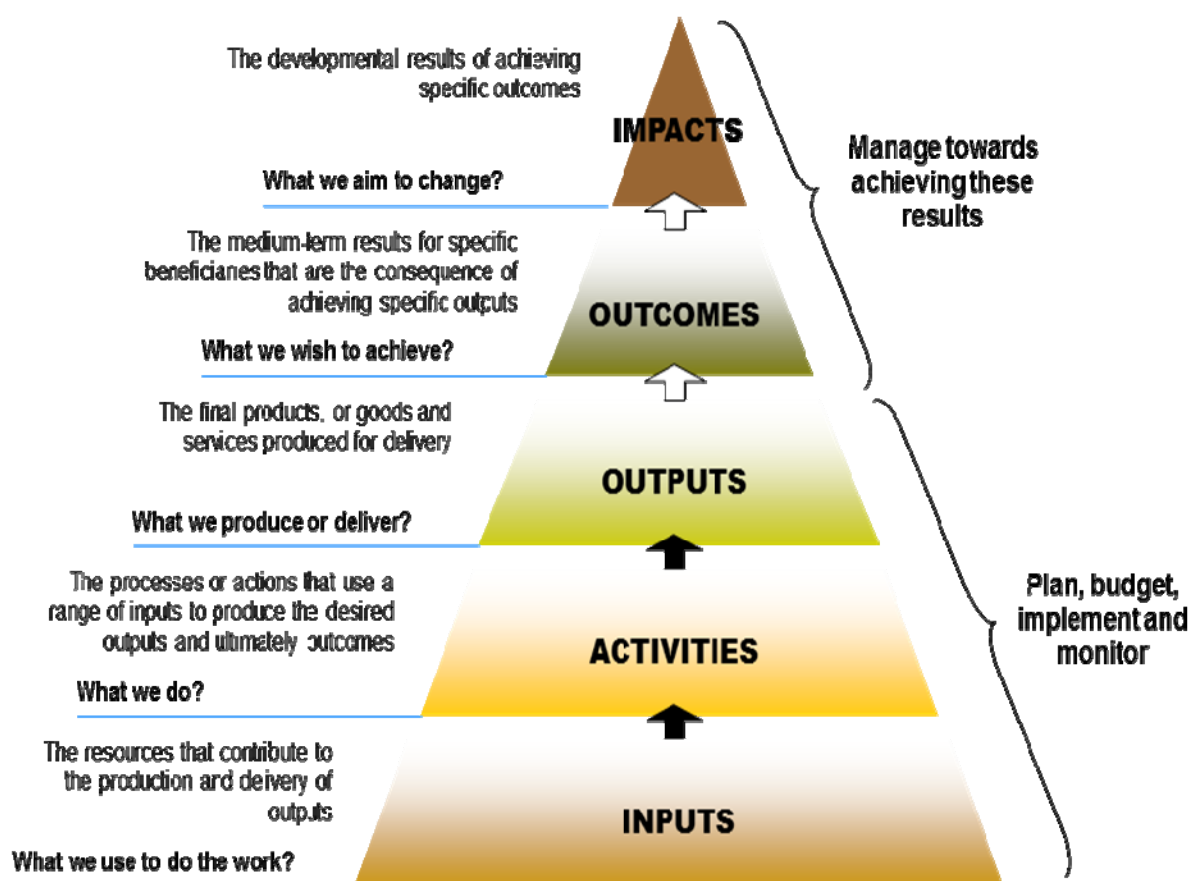


Figure 2 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 27 MBRR Table SA7 - Measurable performance objectives

NC078 Siyancuma - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Municipal Manager										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
And so on for the rest of the Votes										

1.10.1 Performance indicators and benchmarks

1.10.1.1 Borrowing Management

- The municipality does not foresee any borrowing during the MTREF.

1.10.1.2 Safety of Capital

- Gearing: no borrowing will be undertaken.

1.10.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities. For the 2014/15 MTREF the current ratio is 1.4:1 in the 2014/15 financial year.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to erase or redeem, its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1:1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

1.10.1.4 Revenue Management

- The revenue value chain must be enhanced to ensuring accurate billing, customer service, credit control and debt collection.

1.10.1.5 Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation.

1.10.1.6 Other Indicators

- The electricity distribution losses increase from 33.85% in the 2014/15 financial year to 40.78 per cent over the MTREF. The initiatives to ensure these targets are decreasing the following measurements is in place achieved, managing illegal connections and theft of electricity by rolling out our own metering systems, including prepaid meters.

1.10.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality.

For the 2014/15 financial year 3527 registered indigents have been provided for in the budget with this figured increasing to 4000 by 2015/16. In terms of the Municipality's indigent policy

registered households are entitled to 6kl free water, 50 kwh of Electricity, sanitation and free waste removal as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement).

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc) are not taken into account in the table noted above.

1.11 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

1.11.1 Review of credit control and debt collection procedures/policies

POLICIES	AMENDED	COMMENTS
Tariff Policy	Yes	
Free Basic Services Policy	Yes	
Credit control and debt Collection Policy	Yes	
Property rates Policy	Yes	
Supply Chain Management Policy	Yes	
Investment Policy	Yes	

1.12 Overview of budget assumptions

1.12.1 External factors

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

1.12.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2014/15 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk Electricity and water; and

- The increase in the cost of remuneration. Employee related costs comprise 29.6 per cent of total operating expenditure in the 2014/15 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. The wage agreement SALGBC concluded with the municipal workers unions on 31 July 2010 as well as the categorisation and job evaluation wage curves collective agreement signed on 21 April 2010 must be noted. No agreement has been reached for the MTREF and a 10% increase for 2014/15 has been budgeted for

1.12.3 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (75 per cent) of annual billings. Cash flow is assumed to be 75 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

1.12.4 Salary increases

No collective agreement regarding salaries/wages has been concluded thus far. An ten per cent increase is budgeted for.

1.12.5 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 100 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the 2014/15 MTREF of which performance has been factored into the cash flow budget.

1.13 Overview of budget funding

1.13.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 28 Breakdown of the operating revenue over the medium-term

The municipalities have no investments

Choose name from list - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														-
														-
														-
														-
Municipality sub-total										-		-	-	-
Entities														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									-		-	-	-

The municipality has no investments.

1.13.2 Medium-term outlook: capital revenue

Capital grants and receipts fund a major portion of capital expenditure.

Table 29 MBRR Table SA 17 - Detail of borrowings

NC078 Siyancuma - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)			3 067	4 078	3 627	3 627	3 627	414	429	470
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	3 067	4 078	3 627	3 627	3 627	414	429	470
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	3 067	4 078	3 627	3 627	3 627	414	429	470

Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

Table 30 MBRR Table SA 18 - Capital transfers and grant receipts

NC078 Siyancuma - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		34 820	36 808	36 233	40 906	40 906	40 906	42 385	42 427	41 902
Local Government Equitable Share		25 280	31 614	31 121	36 736	36 736	36 736	38 021	39 510	38 827
Finance Management		1 200	1 450	1 500	1 650	1 650	1 650	1 800	1 950	2 100
Municipal Systems Improvement		750	790	800	890	890	890	934	967	975
Water Services Operating Subsidy										
Integrated National Electrification Programme		1 483	2 308	-						
EPWP Incentive				2 500	1 000	1 000	1 000	1 000		
Other transfers/grants		6 106	646	312	630	630	630	630		
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	34 820	36 808	36 233	40 906	40 906	40 906	42 385	42 427	41 902
Capital Transfers and Grants										
National Government:		12 567	16 910	21 113	25 275	27 975	27 975	23 823	19 303	18 848
Municipal Infrastructure Grant (MIG)		12 567	16 910	20 513	19 475	19 475	19 475	16 023	16 303	16 848
Rural Households Infrastructure					3 200	6 300	6 300	6 300		
Electrification Grant				600	2 600	2 200	2 200	1 500	3 000	2 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	12 567	16 910	21 113	25 275	27 975	27 975	23 823	19 303	18 848
TOTAL RECEIPTS OF TRANSFERS & GRANTS		47 387	53 718	57 346	66 181	68 881	68 881	66 208	61 730	60 750

1.13.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understand ability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue.

Table 31 MBRR Table A7 - Budget cash flow statement

NC078 Siyancuma - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		33 216	42 483	16 894	83 202	64 949	64 949	64 949	61 122	87 133	94 477
Government - operating	1	27 307	34 004	38 250	40 276	40 130	40 130	40 130	48 643	44 509	48 090
Government - capital	1	17 029	7 122	27 022	25 905	43 818	43 818	43 818	24 523	3 016	2 017
Interest		1 070	1 443	1 436	790	889	889	889			
Dividends					-	-	-	-			
Payments											
Suppliers and employees		(52 157)	(65 248)	(71 156)	(114 971)	(105 399)	(105 399)	(105 399)	(147 369)	(154 819)	(168 637)
Finance charges		(1 930)	(1 526)	(2 380)	(450)	(435)	(435)	(435)	(414)	(429)	(470)
Transfers and Grants	1	(165)	(14)	-	(7 672)	(7 452)	(7 452)	(7 452)	(18 083)	(25 802)	(26 953)
NET CASH FROM/(USED) OPERATING ACTIVITIES		24 369	18 263	10 067	27 079	36 500	36 500	36 500	(31 578)	(46 392)	(51 476)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	104	1 751							
Decrease (increase) in non-current debtors		16							31 585	7 954	6 623
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(18 920)	(12 081)	(27 244)	(26 515)	(35 935)	(35 935)	(35 935)			
NET CASH FROM/(USED) INVESTING ACTIVITIES		(18 904)	(11 978)	(25 493)	(26 515)	(35 935)	(35 935)	(35 935)	31 585	7 954	6 623
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing		3 459	2 966	1 638					-	-	110
Increase (decrease) in consumer deposits		11	(9)	12							
Payments											
Repayment of borrowing		(2 384)	(1 036)	(3 297)	(565)	(565)	(565)	(565)	(654)	(600)	(576)
NET CASH FROM/(USED) FINANCING ACTIVITIES		1 086	1 921	(1 647)	(565)	(565)	(565)	(565)	(654)	(600)	(466)
NET INCREASE/ (DECREASE) IN CASH HELD		6 551	8 205	(17 073)	(0)	(0)	(0)	(0)	(647)	(39 038)	(45 319)
Cash/cash equivalents at the year begin:	2	6 613	13 164	21 370	10 176	10 176	10 176	10 176		(647)	(39 685)
Cash/cash equivalents at the year end:	2	13 164	21 370	4 297	10 175	10 176	10 176	10 176	(647)	(39 685)	(85 004)

1.13.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 32 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

NC078 Siyancuma - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Cash and investments available											
Cash/cash equivalents at the year end	1	13 164	21 370	4 297	10 175	10 176	10 176	10 176	(647)	(39 685)	(85 004)
Other current investments > 90 days		(0)	2 642	2 488	11 334	11 334	11 334	11 334	25 647	60 685	101 004
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		13 164	24 012	6 785	21 509	21 509	21 509	21 509	25 000	21 000	16 000
Application of cash and investments											
Unspent conditional transfers		9 950	22 543	10 119	22 543	22 543	22 543	22 543	22 541	10 123	8 500
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(5 373)	(8 548)	5 363	3 637	4 302	4 302	4 302	(1 440)	(4 648)	(4 868)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		4 577	13 995	15 482	26 180	26 845	26 845	26 845	21 101	5 475	3 632
Surplus(shortfall)		8 587	10 017	(8 696)	(4 670)	(5 335)	(5 335)	(5 335)	3 899	15 525	12 368

References

1.13.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

NC078 Siyancoma Supporting Table SA10 Funding measurement

Description			MFMA section	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Funding measures														
Cash/cash equivalents at the year end - R1000	181(b)	1	13 164	21 370	4 297	10 175	10 176	10 176	10 176	10 176	(647)	(39 685)	(85 004)	
Cash + investments at the yr end less applications - R1000	181(b)	2	8 587	10 017	(8 696)	(4 678)	(5 335)	(5 335)	(5 335)	10 378	3 899	15 525	12 368	
Cash use endmorality employees/supplier payments	181(b)	3	2.9	3.7	0.6	1.1	1.1	1.1	1.1	1.1	5.2	(0.1)	(3.8)	(7.4)
Surplus/(Deficit) excluding depreciation effects - R1000	181(c)	4	14 488	(460)	14 891	(25 451)	(22 771)	(22 770)	(22 770)	(23 508)	9 014	(2 159)	(6 712)	
Service charge rev % change - macro CPVK target exclusive	181(a)(2)	5	N.A.	(6.7%)	18.6%	20.5%	(2.0%)	(6.0%)	(6.0%)			2.4%	1.2%	1.0%
Cash receipts % of Ratepayer & Other revenue	181(a)(2)	6	73.6%	96.3%	31.0%	110.2%	88.0%	88.0%	88.0%	88.0%	72.3%	96.4%	97.7%	
Debt impairment expense as a % of total liability revenue	181(a)(2)	7	15.8%	19.4%	21.4%	12.0%	16.1%	16.1%	16.1%	16.1%	14.9%	14.6%	14.3%	
Capital payments % of capital expenditure	181(c)(1)	8	101.0%	105.4%	85.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Borrowing receipts % of capital expenditure (incl. transfers)	181(c)	9	89.7%	61.4%	21.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	35.5%	
Grants % of Govt. legislated/guaranteed allocations	181(a)	10									0.0%	0.0%	0.0%	
Current consumer debtors % change - inc/(dec)	181(a)	11	N.A.	9.1%	18.5%	(84.3%)	0.0%	0.0%	0.0%	0.0%	302.6%	5.0%	1.7%	
Long term receivables % change - inc/(dec)	181(a)	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
RAM % of Property Plant & Equipment	201(b)(v)	13	0.7%	1.1%	1.5%	3.5%	2.5%	2.5%	2.5%	2.5%	2.3%	2.4%	2.5%	
Asset renewal % of capital budget	201(b)(v)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
References														
1. Positive cash balances indicative of minimum compliance - subject to 2														
2. Deficit cash and investment applications (defined) from cash balances														
3. Indicative of sufficient liquidity to meet average monthly operating payments														
4. Indicative of funded operational requirements														
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)														
6. Riskistic average cash collection forecasts as % of annual billed revenue														
7. Riskistic average increase in debt impairment (detail/ded) provision														
8. Indicative of planned capital expenditure level & cash payment timing														
9. Indicative of compliance with borrowing only for the capital budget - should not exceed 100% unless refinancing														
10. Substantiation of National/Province allocations included in budget														
11. Indicative of realistic current annual debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)														
12. Indicative of realistic long term annual debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)														
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection														
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection														
Supporting indicators														
% Inc total service charges (incl prop rates)	181(a)			(0.7%)	24.6%	26.5%	4.0%	0.0%	0.0%	0.0%	8.4%	7.2%	7.0%	
% Inc Property Tax	181(a)			0.6%	20.3%	34.4%	0.0%	0.0%	0.0%	0.0%	14.7%	8.5%	7.0%	
% Inc Service charges - electricity revenue	181(a)			(15.2%)	39.4%	37.7%	1.6%	0.0%	0.0%	0.0%	3.9%	7.0%	7.0%	
% Inc Service charges - water revenue	181(a)			19.0%	12.4%	19.5%	6.2%	0.0%	0.0%	0.0%	19.9%	7.0%	7.0%	
% Inc Service charges - sanitation revenue	181(a)			15.7%	12.2%	(3.4%)	13.3%	0.0%	0.0%	0.0%	3.1%	7.0%	7.0%	
% Inc Service charges - refuse revenue	181(a)			12.1%	14.2%	9.2%	10.5%	0.0%	0.0%	0.0%	5.3%	7.0%	7.0%	
% Inc in Service charges - other	181(a)			0.0%	0.0%	0.0%	(1.2%)	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%	
Total liability revenue	181(a)		42 201	41 789	52 206	66 535	69 323	69 323	69 323	69 323	75 045	80 454	86 085	
Service charges	181(a)		41 860	41 522	51 790	65 538	68 156	68 156	68 156	68 156	73 889	79 172	84 719	
Property rates	181(a)		5 734	5 768	6 938	9 326	9 326	9 326	9 326	9 326	10 699	11 605	12 418	
Service charges - electricity revenue	181(a)		19 813	16 801	23 423	32 262	32 782	32 782	32 782	32 782	34 050	36 433	38 983	
Service charges - water revenue	181(a)		8 001	9 548	10 730	12 826	13 624	13 624	13 624	13 624	16 331	17 475	18 498	
Service charges - sanitation revenue	181(a)		4 465	5 169	5 881	5 606	6 351	6 351	6 351	6 351	6 546	7 084	7 494	
Service charges - refuse removal	181(a)		3 805	4 287	4 897	5 349	5 913	5 913	5 913	5 913	6 224	6 660	7 126	
Service charges - other	181(a)		-	-	-	161	159	159	159	159	-	-	-	
Rental of facilities and equipment	181(a)		341	276	416	1 005	1 167	1 167	1 167	1 167	1 195	1 277	1 366	
Capital expenditure excluding capital grant funding	181(a)		3 858	4 824	7 499	610	1 170	1 170	1 170	1 170	310	323	310	
Cash receipts from ratepayers	181(a)		33 216	42 483	16 994	83 202	64 949	64 949	64 949	64 949	61 122	87 133	94 477	
Ratepayer & Other revenue	181(a)		45 119	44 124	54 451	75 519	73 792	73 792	73 792	73 792	84 580	90 400	96 728	
Change in consumer debtors (current and non current)	181(a)		4 793	1 344	2 982	(16 071)	(16 071)	(16 071)	(16 071)	(16 071)	9 080	607	213	
Operating Capital Grant Revenue	181(a)		44 326	41 128	45 273	40 276	40 130	40 130	40 130	40 130	73 144	63 912	64 938	
Capital expenditure - total	201(b)(v)		18 737	11 464	32 036	26 515	35 935	35 935	35 935	35 935	35 497	22 543	22 233	
Capital expenditure - renewal	201(b)(v)		-	-	-	-	-	-	-	-	-	-	-	
Supporting benchmarks														
Gross R guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
CP guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%	
DoRA operating grants total MFY														
DoRA capital grants total MFY														
Provincial operating grants														
Provincial capital grants														
District Municipality grants														
Total gazetted/divided national, provincial and district grants														
Average annual collection rate (arrears inclusive)														
DoRA operating														
Let operating grants														
DoRA capital														
Let capital grants														
Trend														
Change in consumer debtors (current and non current)			4 793	1 344	2 982	(16 071)	9 080	607	213	-	-	-	-	
Total Operating Revenue														
			73 105	79 122	93 581	114 054	114 181	114 181	114 181	114 181	134 983	138 169	147 079	
Total Operating Expenditure														
			75 647	88 323	105 818	141 505	146 952	146 952	137 682	137 682	148 992	156 631	170 639	
Operating Performance Surplus/(Deficit)														
			(2 541)	(9 200)	(12 237)	(25 451)	(22 771)	(22 770)	(22 770)	(23 508)	(14 009)	(18 462)	(23 560)	
Cash and Cash Equivalents (30 June 2012)														
											(647)			
Revenue														
% Increase in Total Operating Revenue				8.2%	18.3%	24.0%	(1.6%)	0.0%	0.0%	0.0%	18.2%	2.4%	6.4%	
% Increase in Property Rates Revenue				0.6%	20.3%	34.4%	0.0%	0.0%	0.0%	0.0%	14.7%	8.5%	7.0%	
% Increase in Electricity Revenue				(15.2%)	39.4%	37.7%	1.6%	0.0%	0.0%	0.0%	3.9%	7.0%	7.0%	
% Increase in Property Rates & Services Charges				(0.7%)	24.6%	26.5%	4.0%	0.0%	0.0%	0.0%	8.4%	7.2%	7.0%	
Expenditure														
% Increase in Total Operating Expenditure				16.8%	19.8%	33.7%	3.8%	(0.0%)	(6.3%)	1.4%	5.1%	8.9%		
% Increase in Employee Costs				36.2%	26.7%	19.9%	0.2%	0.0%	0.0%	0.0%	13.9%	5.1%	7.1%	
% Increase in Electricity Bulk Purchases				40.7%	11.1%	29.7%	0.0%	0.0%	0.0%	0.0%	8.1%	5.0%	20.0%	
Average Cost Per Budgeted Employee Position (Remuneration)				2885.25 4219	2657.22 1588						3033.88 8457			
Average Cost Per Councilor (Remuneration)				276713 4545	267965 7273						324670 4545			
RAM % of PPE			0.7%	1.1%	1.5%	3.5%	2.5%	2.5%	2.5%	2.5%	2.3%	2.4%	2.5%	
Asset Renewal and RAM as a % of PPE			19.0%	1.0%	37.0%	0.0%	2.0%	2.0%	2.0%	2.0%	78.0%	82.0%	88.0%	
Debt Impairment % of Total Liability Revenue			15.8%	19.4%	21.4%	12.0%	16.1%	16.1%	16.1%	16.1%	14.9%	14.6%	14.3%	
Capital Revenue														
Internally Funded & Other (R1000)			3 858	4 824	7 499	610	1 170	1 170	1 170	1 170	310	323	310	
Borrowing (R1000)			-	-	-	-	-	-	-	-	-	-	-	
Grant Funding and Other (R1000)			14 879	6 430	24 547	25 905	34 765	34 765	34 765	34 765	35 187	22 220	21 923	
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Grant Funding % of Total Funding			79.4%	57.8%	76.6%	97.7%	94.7%	94.7%	94.7%	94.7%	99.1%	98.6%	98.6%	
Capital Expenditure														
Total Capital Programme (R1000)			18 737	11 464	32 036	26 515	35 935	35 935	35 935	35 935	35 497	22 543	22 233	
Asset Renewal			-	-	-	-	-	-	-	-	-	-	-	
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Cash														
Cash Receipts % of Rate Payer & Other			73.6%	96.3%	31.0%	110.2%	88.0%	88.0%	88.0%	88.0%	72.3%	96.4%	97.7%	
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0	0	0	
Borrowings														
Credit Rating (2009/10)											0			
Capital Charges to Operating			5.7%	2.9%	5.4%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	
Borrowing Receipts % of Capital Expenditure			89.7%	61.4%	21.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	35.5%	
Reserves														
Reserve/(Deficit)			8 587	10 017	(8 696)	(4 678)	(5 335)	(5 335)	(5 335)	(5 335)	3 899	15 525	12 368	
Free Services														
Free Basic Services as a % of Equitable Share			1.7%	1.4%	0.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.1%	3.2%	3.4%	
Free Services as a % of Operating Revenue			12.9%	24.3%	0.0%	17.9%	18.4%	18.4%	18.4%	18.4%	17.0%	16.8%	16.7%	
High Level Outcome of Funding Compliance														
Total Operating Revenue														
			73 105	79 122	93 581	114 054	114 181	114 181	114 181	114 181	134 983	138 169	147 079	
Total Operating Expenditure														
			75 647	88 323	105 818	141 505	146 952	146 952	137 682	137 682	148 992	156 631	170 639	
Surplus/(Deficit) Operating Statement														
			(2 541)	(9 200)	(12 237)	(25 451)	(22 771)	(22 770)	(22 770)	(23 508)	(14 009)	(18 462)	(23 560)	
Surplus/(Deficit) Considering Reserves and Cash Backing														
			6 086	878	(20 930)	(20 120)	(18 306)	(18 306)	(18 306)	(18 306)	(10 110)	(9 843)	(12 562)	
MTREF Funded (%) Unfunded (%)														
TS	1	1	0	0	0	0	0	0	0	0	0	0	0	
TS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

1.13.5.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The municipality show a positive cash equivalent position for the MTREF period

1.13.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 25, on page 25. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

1.13.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

1.13.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2014/15MTREF the indicative outcome is a surplus of R0 after the non-cash items is deducted.

1.13.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth.

1.13.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget.

1.13.5.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. Adequate provision has been appropriated the MTREF period.

1.13.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

1.13.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded.

1.13.5.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The municipality has budgeted for all transfers.

1.13.5.11 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the municipality's policy of settling debtor accounts within 30 days.

1.13.5.12 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 60 MBRR SA34C.

1.13.5.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 59 MBRR SA34b.

NC078 Siyancuma - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital expenditure on renewal of existing assets by Asset Class/Sub-class											
Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure - Road transport			-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges											
Storm water											
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Generation											
Transmission & Reticulation											
Street Lighting											
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Dams & Reservoirs											
Water purification											
Reticulation											
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Reticulation											
Sewerage purification											
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Waste Management											
Transportation		2									
Gas											
Other		3									
Community			-	-	-	-	-	-	-	-	-
Parks & gardens											
Sportsfields & stadia											
Swimming pools											
Community halls											
Libraries											
Recreational facilities											
Fire, safety & emergency											
Security and policing		7									
Buses											
Clinics											
Museums & Art Galleries											
Cemeteries											
Social rental housing		8									
Other											
Heritage assets			-	-	-	-	-	-	-	-	-
Buildings											
Other		9									
Investment properties			-	-	-	-	-	-	-	-	-
Housing development											
Other											
Other assets			-	-	-	-	-	-	-	-	-
General vehicles											
Specialised vehicles		10	-	-	-	-	-	-	-	-	-
Plant & equipment											
Computers - hardware/equipment											
Furniture and other office equipment											
Abattoirs											
Markets											
Civic Land and Buildings											
Other Buildings											
Other Land											
Surplus Assets - (Investment or Inventory)											
Other											
Agricultural assets			-	-	-	-	-	-	-	-	-
List sub-class											
Biological assets			-	-	-	-	-	-	-	-	-
List sub-class											
Intangibles			-	-	-	-	-	-	-	-	-
Computers - software & programming											
Other (list sub-class)											
Total Capital Expenditure on renewal of existing	1		-	-	-	-	-	-	-	-	-
Specialised vehicles			-	-	-	-	-	-	-	-	-
Refuse											
Fire											
Conservancy											
Ambulances											
Renewal of Existing Assets as % of total capex			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

1.14 Expenditure on grants and reconciliations of unspent funds

Table 33 MBRR SA19 - Expenditure on transfers and grant programmes

NC078 Siyancuma - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		33 547	36 505	33 857	40 906	40 906	40 906	42 385	42 427	41 602
Local Government Equitable Share		25 280	31 614	31 121	36 736	36 736	36 736	38 021	39 510	38 527
Finance Management		908	1 417	1 500	1 650	1 650	1 650	1 800	1 950	2 100
Municipal Systems Improvement		750	790	790	890	890	890	934	967	975
Water Services Operating Subsidy										
Integrated National Electrification Programme		503	2 308							
EPWP Incentive					1 000	1 000	1 000	1 000		
Other transfers/grants		6 106	376	446	630	630	630	630		
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants		33 547	36 505	33 857	40 906	40 906	40 906	42 385	42 427	41 602
Capital expenditure of Transfers and Grants										
National Government:		17 130	4 529	26 392	28 375	28 375	28 375	15 823	19 303	18 848
Municipal Infrastructure Grant (MIG)		17 130	4 529	25 851	19 475	19 475	19 475	8 023	16 303	16 848
Rural Households Infrastructure					6 300	6 300	6 300	6 300		
Electrification Grant				541	2 600	2 600	2 600	1 500	3 000	2 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		17 130	4 529	26 392	28 375	28 375	28 375	15 823	19 303	18 848
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		50 677	41 033	60 249	69 281	69 281	69 281	58 208	61 730	60 450

Table 34 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

NC078 Siyancuma - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year				-	40 906	40 906	40 906	50 143	47 509	50 090
Current year receipts				2 500						
Conditions met - transferred to revenue		-	-	455	40 906	40 906	40 906	50 143	47 509	50 090
Conditions still to be met - transferred to liabilities				2 045						
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year				877						
Current year receipts				312						
Conditions met - transferred to revenue		-	-	446	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities				744						
Total operating transfers and grants revenue		-	-	901	40 906	40 906	40 906	50 143	47 509	50 090
Total operating transfers and grants - CTBM	2	-	-	2 789	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		5 702	9 120	12 323						
Current year receipts		13 757	19 218	21 113	25 275	27 975	27 975	34 557	22 220	21 923
Conditions met - transferred to revenue		10 340	6 896	26 392	25 275	27 975	27 975	34 557	22 220	21 923
Conditions still to be met - transferred to liabilities		9 120	21 442	7 044						
Provincial Government:										
Balance unspent at beginning of the year		531	663							
Current year receipts		420	503							
Conditions met - transferred to revenue		288	289	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		663	877							
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		10 627	7 184	26 392	25 275	27 975	27 975	34 557	22 220	21 923
Total capital transfers and grants - CTBM	2	9 783	22 319	7 044	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		10 627	7 184	27 293	66 181	68 881	68 881	84 700	69 729	72 013
TOTAL TRANSFERS AND GRANTS - CTBM		9 783	22 319	9 832	-	-	-	-	-	-

1.15 Councillor and employee benefits

Table 35 MBRR SA22 - Summary of councillor and staff benefits

NC078 Siyancoma - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		1 375	1 638	2 074	2 886	2 755	2 755	3 200	3 360	3 595
Pension and UIF Contributions		10	-	1	-	-	-	-	-	-
Medical Aid Contributions										
Motor Vehicle Allowance		435	552	832	202	-	-	-	-	-
Cellphone Allowance		114	132	159	-	302	302	371	390	417
Housing Allowances						-	-	-	-	-
Other benefits and allowances					100	-	-	-	-	-
Sub Total - Councillors	4	1 933	2 322	3 066	3 187	3 056	3 056	3 571	3 750	4 012
% increase	4		20.1%	32.0%	4.0%	(4.1%)	-	16.9%	5.0%	7.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		851	1 737	1 926	2 070	2 070	2 070	2 358	2 558	2 776
Pension and UIF Contributions		153	244	243	414	414	414	472	512	555
Medical Aid Contributions					-	-	-	-	-	-
Overtime					-	-	-	-	-	-
Performance Bonus		15	30		-	-	-	-	-	-
Motor Vehicle Allowance	3	277	445	471	368	368	368	418	454	492
Cellphone Allowance	3	10	19	17	21	21	21	24	26	28
Housing Allowances	3	103	47	27	36	36	36	39	43	46
Other benefits and allowances	3	24	36		42	42	42	46	49	54
Payments in lieu of leave				86	-	-	-	-	-	-
Long service awards					-	-	-	-	-	-
Post-retirement benefit obligations	6				-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	4	1 434	2 557	2 770	2 951	2 951	2 951	3 357	3 642	3 952
% increase	4		78.3%	8.3%	6.5%	-	-	13.8%	8.5%	8.5%
Other Municipal Staff										
Basic Salaries and Wages		12 550	17 867	23 381	27 940	27 940	27 940	32 146	33 671	36 042
Pension and UIF Contributions		3 313	3 627	4 600	5 559	5 559	5 559	5 887	6 157	6 584
Medical Aid Contributions					2 004	2 004	2 004	2 186	2 295	2 455
Overtime		985	1 090	1 632	1 146	1 146	1 146	1 605	1 685	1 800
Performance Bonus		1 064	1 027	1 358						
Motor Vehicle Allowance	3	2 053	1 996	2 291	2 107	2 107	2 107	2 320	2 421	2 584
Cellphone Allowance	3				68	68	68	98	102	109
Housing Allowances	3	415	387	363	378	378	378	361	377	422
Other benefits and allowances	3	383	882	525	592	592	592	663	695	743
Payments in lieu of leave		(351)	1 053	1 240	304	304	304			
Long service awards		146	124	138				405	425	455
Post-retirement benefit obligations	6	255	321	377				114	160	173
Sub Total - Other Municipal Staff	4	20 813	28 375	35 907	40 098	40 098	40 098	45 785	47 989	51 367
% increase	4		36.3%	26.5%	11.7%	-	-	14.2%	4.8%	7.0%
Total Parent Municipality		24 180	33 254	41 743	46 236	46 105	46 105	52 713	55 381	59 331
			37.5%	25.5%	10.8%	(0.3%)	-	14.3%	5.1%	7.1%
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities	4	-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities	4	-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities	4	-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		24 180	33 254	41 743	46 236	46 105	46 105	52 713	55 381	59 331
% increase	4		37.5%	25.5%	10.8%	(0.3%)	-	14.3%	5.1%	7.1%
TOTAL MANAGERS AND STAFF	5,7	22 246	30 932	38 677	43 049	43 049	43 049	49 142	51 631	55 319

NC078 Siyancuma - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

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Table 37 MBRR SA24 – Summary of personnel numbers

NC078 Siyancuma - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2012/13			Current Year 2013/14			Budget Year 2014/15		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		11			11			11		
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	4	1	3	4	1	3	4	1	3
Other Managers	7									
Professionals		29	24	5	39	39	–	39	39	–
<i>Finance</i>		24	24		34	34		34	34	
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>										
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>		5		5	5	5		5	5	
Technicians		79	79	–	119	118	1	119	118	1
<i>Finance</i>										
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>		17	17		10	9	1	10	9	1
<i>Electricity</i>		8	8		8	8		8	8	
<i>Water</i>		8	8		13	13	–	13	13	
<i>Sanitation</i>		14	14		22	22		22	22	
<i>Refuse</i>		19	19		13	13		13	13	
<i>Other</i>		13	13		53	53	–	53	53	
Clerks (Clerical and administrative)		27	27							
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	150	131	8	173	158	4	173	158	4
% Increase					15.3%	20.6%	(50.0%)	–	–	–
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

1.16 Monthly targets for revenue, expenditure and cash flow

Table 38 MBRR SA25 - Budgeted monthly revenue and expenditure

NC078 Siyancuma - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Revenue By Source																
Property rates		892	892	892	892	892	892	892	892	892	892	892	892	10 699	11 605	12 418
Property rates - penalties & collection charges		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue		2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	34 050	36 433	38 983
Service charges - water revenue		1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	16 331	17 475	18 698
Service charges - sanitation revenue		545	545	545	545	545	545	545	545	545	545	545	545	6 545	7 004	7 494
Service charges - refuse revenue		519	519	519	519	519	519	519	519	519	519	519	519	6 224	6 660	7 126
Service charges - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		100	100	100	100	100	100	100	100	100	100	100	100	1 195	1 277	1 366
Interest earned - external investments		22	22	22	22	22	22	22	22	22	22	22	22	260	260	260
Interest earned - outstanding debtors		52	52	52	52	52	52	52	52	52	52	52	52	629	400	430
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines		603	603	603	603	603	603	603	603	603	603	603	603	7 236	7 743	8 284
Licences and permits		38	38	38	38	38	38	38	38	38	38	38	38	450	482	515
Agency services		59	59	59	59	59	59	59	59	59	59	59	59	711	761	814
Transfers recognised - operational		4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	50 143	47 509	50 090
Other revenue		42	42	42	42	42	42	42	42	42	42	42	42	509	561	599
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	134 983	138 169	147 079
Expenditure By Type																
Employee related costs		4 095	4 095	4 095	4 095	4 095	4 095	4 095	4 095	4 095	4 095	4 095	4 095	49 141	51 631	55 299
Remuneration of councillors		298	298	298	298	298	298	298	298	298	298	298	298	3 571	3 750	4 012
Debt impairment		930	930	930	930	930	930	930	930	930	930	930	930	11 159	11 716	12 302
Depreciation & asset impairment		1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	1 158	13 894	14 589	15 610
Finance charges		34	34	34	34	34	34	34	34	34	34	34	34	414	429	470
Bulk purchases		2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	32 542	34 170	40 942
Other materials		647	647	647	647	647	647	647	647	647	647	647	647	7 759	8 152	8 723
Contracted services		308	308	308	308	308	308	308	308	308	308	308	308	3 700	3 885	4 157
Transfers and grants		674	–	–	–	–	–	–	–	–	–	–	7 410	8 084	8 602	9 255
Other expenditure		1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	18 727	19 707	19 868
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		12 416	11 742	11 742	11 742	11 742	11 742	11 742	11 742	11 742	11 742	11 742	19 152	148 992	156 631	170 639
Surplus/(Deficit)																
Transfers recognised - capital		1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	23 023	16 303	16 848
Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions																
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	751	1 425	1 425	1 425	1 425	1 425	1 425	1 425	1 425	1 425	1 425	(5 985)	9 014	(2 159)	(6 712)

Table 39 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

NC078 Siyancuma - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue by Vote																
Vote 1 - MUNICIPAL MANAGER													-	-	-	-
Vote 2 - COUNCIL		169	169	169	169	169	169	169	169	169	160	169	186	2 036	2 126	2 221
Vote 3 - CORPORATE AND HUMAN RESOURCES		37	37	37	37	37	37	37	37	37	37	37	(13)	394	422	451
Vote 4 - FINANCE		6 685	3 951	3 951	3 951	3 951	3 951	3 951	3 951	3 951	3 951	3 951	3 962	50 157	54 375	58 685
Vote 5 - PROPERTIES		12	12	12	12	12	12	12	12	12	12	12	65	197	211	226
Vote 6 - LIBRARIES		630											0	630	-	-
Vote 7 - CEMETARY		4	3	3	3	3	4	3	3	3	3	3	6	41	35	38
Vote 8 - PARKS AND RECREATION		75	75	20	20	20	100	100	50	75	120	150	67	872	933	998
Vote 9 - HEALTH SERVICES													-	-	-	-
Vote 10 - WASTE MANAGEMENT		734	734	734	734	734	734	734	734	734	734	734	735	8 809	9 425	10 085
Vote 11 - PUBLIC WORKS		752	752	752	752	752	752	752	752	752	752	752	751	9 023	16 303	16 848
Vote 12 - ELECTRICITY		3 225	3 225	3 225	3 225	3 225	3 225	3 225	3 225	3 225	3 225	3 225	2 696	38 171	42 239	43 985
Vote 13 - WATER		2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 550	30 633	16 752	17 923
Vote 14 - WASTE WATER MANAGEMENT		3 908	808	808	808	4 008	808	808	808	808	808	808	810	15 998	10 377	11 103
Vote 15 - TRAFFIC		700	700	700	700	700	700	700	700	700	700	700	697	8 397	8 985	9 614
Total Revenue by Vote		19 484	13 019	12 964	12 964	16 164	13 045	13 044	12 994	13 019	13 055	13 094	12 512	165 358	162 182	172 178
Expenditure by Vote to be appropriated																
Vote 1 - MUNICIPAL MANAGER		267	267	267	267	267	267	267	267	267	267	267	270	3 207	3 368	3 603
Vote 2 - COUNCIL		476	476	476	476	476	476	476	476	476	476	476	473	5 709	5 992	6 408
Vote 3 - CORPORATE AND HUMAN RESOURCES		1 372	1 372	1 372	1 372	1 372	1 372	1 372	1 372	1 372	1 372	1 372	1 323	16 415	17 236	18 453
Vote 4 - FINANCE		5 000	5 000	3 405	3 405	5 000	3 405	3 405	2 500	3 405	2 500	2 500	1 344	40 869	43 008	45 720
Vote 5 - PROPERTIES		259	259	259	259	259	259	259	259	259	259	259	254	3 103	3 258	3 486
Vote 6 - LIBRARIES		218	218	218	218	218	218	218	218	218	218	218	213	2 611	2 321	2 484
Vote 7 - CEMETARY		60	60	60	60	60	60	60	60	60	60	60	60	720	756	808
Vote 8 - PARKS AND RECREATION		242	242	242	242	242	242	242	242	242	242	242	239	2 901	3 050	3 131
Vote 9 - HEALTH SERVICES		43	43	43	43	43	43	43	43	43	43	43	40	513	539	578
Vote 10 - WASTE MANAGEMENT		1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 090	13 036	13 666	14 623
Vote 11 - PUBLIC WORKS		1 764	1 764	1 764	1 764	1 764	1 764	1 764	1 764	1 764	1 764	1 764	1 769	21 173	29 061	30 499
Vote 12 - ELECTRICITY		3 510	3 510	3 510	3 510	3 510	3 510	3 510	3 510	3 510	3 510	3 510	2 974	41 584	45 077	50 828
Vote 13 - WATER		2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 026	24 279	9 743	9 914
Vote 14 - WASTE WATER MANAGEMENT		1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 462	17 588	11 837	12 691
Vote 15 - TRAFFIC		269	269	269	269	269	269	269	269	269	269	269	270	3 229	3 378	3 707
Total Expenditure by Vote		18 055	18 055	16 460	16 460	18 055	16 460	16 460	15 555	16 460	15 555	15 555	13 805	196 935	192 288	206 932
Surplus/(Deficit) before assoc.		1 429	(5 036)	(3 496)	(3 496)	(1 891)	(3 415)	(3 416)	(2 561)	(3 441)	(2 500)	(2 461)	(1 294)	(31 578)	(30 106)	(34 755)
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	1 429	(5 036)	(3 496)	(3 496)	(1 891)	(3 415)	(3 416)	(2 561)	(3 441)	(2 500)	(2 461)	(1 294)	(31 578)	(30 106)	(34 755)

Table 40 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

NC078 Siyancuma - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue - Standard																
<i>Governance and administration</i>		6 899	4 157	4 157	4 165	4 157	4 170	4 157	4 157	4 165	4 148	4 160	2 413	50 905	55 099	59 392
Executive and council		169	169	169	169	169	169	169	169	169	160	169	501	2 351	2 463	2 581
Budget and treasury office		6 685	3 951	3 951	3 951	3 951	3 951	3 951	3 951	3 951	3 951	3 951	2 162	48 357	52 425	56 585
Corporate services		45	37	37	45	37	50	37	37	45	37	40	(250)	197	211	226
<i>Community and public safety</i>		705	89	34	34	45	114	114	64	89	134	164	36	1 622	1 053	1 127
Community and social services		630	14	14	14	25	14	14	14	14	14	14	(31)	750	120	129
Sport and recreation		75	75	20	20	20	100	100	50	75	120	150	67	872	933	998
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		1 452	1 452	1 452	1 452	1 452	1 452	1 452	1 452	1 452	1 452	1 452	(6 949)	9 023	16	17
Planning and development														-	-	-
Road transport		1 452	1 452	1 452	1 452	1 452	1 452	1 452	1 452	1 452	1 452	1 452	(6 949)	9 023	16	17
Environmental protection														-	-	-
<i>Trading services</i>		10 420	7 320	7 320	7 320	10 520	7 320	7 320	7 320	7 320	7 320	7 320	6 791	93 611	78 793	83 096
Electricity		3 225	3 225	3 225	3 225	3 225	3 225	3 225	3 225	3 225	3 225	3 225	2 696	38 171	42 239	43 985
Water		2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 553	2 550	30 633	16 752	17 923
Waste water management		3 908	808	808	808	4 008	808	808	808	808	808	808	810	15 998	10 377	11 103
Waste management		734	734	734	734	734	734	734	734	734	734	734	735	8 809	9 425	10 085
<i>Other</i>													-	-	-	-
Total Revenue - Standard		19 476	13 018	12 963	12 971	16 174	13 056	13 043	12 993	13 026	13 054	13 096	2 291	155 161	134 961	143 633
Expenditure - Standard																
<i>Governance and administration</i>		7 291	7 291	5 696	5 696	7 291	5 696	5 696	4 791	5 696	4 791	4 791	(6 221)	58 505	61 471	65 497
Executive and council		743	743	743	743	743	743	743	743	743	743	743	(7 317)	856	905	1 022
Budget and treasury office		5 000	5 000	3 405	3 405	5 000	3 405	3 405	2 500	3 405	2 500	2 500	(456)	39 069	41 058	43 620
Corporate services		1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 552	18 580	19 509	20 855
<i>Community and public safety</i>		602	602	602	602	602	602	602	602	602	602	602	1 110	7 732	7 715	8 162
Community and social services		301	301	301	301	301	301	301	301	301	301	301	299	3 610	3 382	3 657
Sport and recreation		242	242	242	242	242	242	242	242	242	242	242	239	2 901	3 050	3 131
Public safety		59	59	59	59	59	59	59	59	59	59	59	60	709	744	796
Housing														-	-	-
Health														513	539	578
<i>Economic and environmental services</i>		2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 028	24 402	32 439	34 096
Planning and development														-	-	-
Road transport		2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 034	2 028	24 402	32 439	34 096
Environmental protection														-	-	-
<i>Trading services</i>		8 085	8 085	8 085	8 085	8 085	8 085	8 085	8 085	8 085	8 085	8 085	7 551	96 486	80 323	88 056
Electricity		3 510	3 510	3 510	3 510	3 510	3 510	3 510	3 510	3 510	3 510	3 510	2 974	41 584	45 077	50 828
Water		2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 026	24 279	9 743	9 914
Waste water management		1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 466	1 462	17 588	11 837	12 691
Waste management		1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 086	1 090	13 036	13 666	14 623
<i>Other</i>													-	-	-	-
Total Expenditure - Standard		18 012	18 012	16 417	16 417	18 012	16 417	16 417	15 512	16 417	15 512	15 512	4 468	187 125	181 947	195 810
Surplus/(Deficit) before assoc.		1 464	(4 994)	(3 454)	(3 446)	(1 838)	(3 361)	(3 374)	(2 519)	(3 391)	(2 458)	(2 416)	(2 178)	(31 965)	(46 986)	(52 178)
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	1 464	(4 994)	(3 454)	(3 446)	(1 838)	(3 361)	(3 374)	(2 519)	(3 391)	(2 458)	(2 416)	(2 178)	(31 965)	(46 986)	(52 178)

Table 41 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

NC078 Siyancuma - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Multi-year expenditure to be appropriated	1															
Vote 1 - MUNICIPAL MANAGER													-	-	-	-
Vote 2 - COUNCIL													-	-	-	-
Vote 3 - CORPORATE AND HUMAN RESOURCES													-	-	-	-
Vote 4 - FINANCE													-	-	-	-
Vote 5 - PROPERTIES													-	-	-	-
Vote 6 - LIBRARIES													-	-	-	-
Vote 7 - CEMETARY													-	-	-	-
Vote 8 - PARKS AND RECREATION													-	-	-	-
Vote 9 - HEALTH SERVICES													-	-	-	-
Vote 10 - WASTE MANAGEMENT													-	-	-	-
Vote 11 - PUBLIC WORKS													-	-	-	-
Vote 12 - ELECTRICITY													-	-	-	-
Vote 13 - WATER													-	-	-	-
Vote 14 - WASTE WATER MANAGEMENT													-	-	-	-
Vote 15 - TRAFFIC													-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - MUNICIPAL MANAGER													-	-	-	-
Vote 2 - COUNCIL		20			10			20			20		-	50	50	50
Vote 3 - CORPORATE AND HUMAN RESOURCES		30		20	20			20		20	20		-	130	137	130
Vote 4 - FINANCE		2 734		50	30			20	30				-	2 864	3 054	3 205
Vote 5 - PROPERTIES													-	-	-	-
Vote 6 - LIBRARIES		630											-	630	-	-
Vote 7 - CEMETARY													-	-	-	-
Vote 8 - PARKS AND RECREATION													-	-	-	-
Vote 9 - HEALTH SERVICES													-	-	-	-
Vote 10 - WASTE MANAGEMENT													-	-	-	-
Vote 11 - PUBLIC WORKS		3 007				3 008				3 008			-	9 023	16 303	16 848
Vote 12 - ELECTRICITY		1 500											-	1 500	3 000	2 000
Vote 13 - WATER		5 000				5 000				5 000			-	15 000	-	-
Vote 14 - WASTE WATER MANAGEMENT		3 100				3 200							-	6 300	-	-
Vote 15 - TRAFFIC													-	-	-	-
Capital single-year expenditure sub-total	2	16 021	-	70	60	11 208	-	60	30	8 028	20	-	-	35 497	22 543	22 233
Total Capital Expenditure	2	16 021	-	70	60	11 208	-	60	30	8 028	20	-	-	35 497	22 543	22 233

Table 42 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

NC078 Siyancuma - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital Expenditure - Standard	1															
<i>Governance and administration</i>		2 784	-	70	60	-	-	60	30	20	20	-	-	3 044	3 240	3 385
Executive and council		20			10			20					-	50	50	50
Budget and treasury office		2 734		50	30			20	30				-	2 864	3 054	3 205
Corporate services		30		20	20			20		20	20		-	130	137	130
<i>Community and public safety</i>		630	-	-	-	-	-	-	-	-	-	-	-	630	-	-
Community and social services		630											-	630	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		3 007	-	-	-	3 008	-	-	-	3 008	-	-	-	9 023	16 303	16 848
Planning and development													-	-	-	-
Road transport		3 007				3 008				3 008			-	9 023	16 303	16 848
Environmental protection													-	-	-	-
<i>Trading services</i>		9 600	-	-	-	8 200	-	-	-	5 000	-	-	-	22 800	3 000	2 000
Electricity		1 500											-	1 500	3 000	2 000
Water		5 000				5 000				5 000			-	15 000	-	-
Waste water management		3 100				3 200							-	6 300	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
Total Capital Expenditure - Standard	2	16 021	-	70	60	11 208	-	60	30	8 028	20	-	-	35 497	22 543	22 233
Funded by:																
National Government		15 971				11 208				7 988			(610)	34 557	22 220	21 923
Provincial Government													630	630	-	-
District Municipality													-	-	-	-
Other transfers and grants		50		70	60			60	30	40	20		(330)	-	-	-
Transfers recognised - capital		16 021	-	70	60	11 208	-	60	30	8 028	20	-	(310)	35 187	22 220	21 923
Public contributions & donations													-	-	-	-
Borrowing													-	-	-	-
Internally generated funds													310	310	323	310
Total Capital Funding		16 021	-	70	60	11 208	-	60	30	8 028	20	-	-	35 497	22 543	22 233

Table 43 MBRR SA30 - Budgeted monthly cash flow

NC078 Siyancoma - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Cash Receipts By Source													1		
Property rates	892	892	892	892	892	892	892	892	892	892	892	892	10 699	11 605	12 418
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	2 837	34 050	36 433	38 983
Service charges - water revenue	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	16 331	17 475	18 698
Service charges - sanitation revenue	545	545	545	545	545	545	545	545	545	545	545	545	6 545	7 004	7 494
Service charges - refuse revenue	519	519	519	519	519	519	519	519	519	519	519	519	6 224	6 660	7 126
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	100	100	100	100	100	100	100	100	100	100	100	100	1 195	1 277	1 366
Interest earned - external investments	22	22	22	22	22	22	22	22	22	22	22	22	260	260	260
Interest earned - outstanding debtors	52	52	52	52	52	52	52	52	52	52	52	52	629	400	430
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	603	603	603	603	603	603	603	603	603	603	603	603	7 236	7 743	8 284
Licences and permits	38	38	38	38	38	38	38	38	38	38	38	38	450	482	515
Agency services	59	59	59	59	59	59	59	59	59	59	59	59	711	761	814
Transfer receipts - operational	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	4 179	50 143	47 509	50 090
Other revenue	42	42	42	42	42	42	42	42	42	42	42	42	509	561	599
Cash Receipts by Source	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	134 983	138 169	147 079
Other Cash Flows by Source															
Transfer receipts - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	11 249	134 983	138 169	147 079
Cash Payments by Type															
Employee related costs	3 780	3 780	3 780	3 780	7 560	3 780	3 780	3 780	3 780	3 780	3 780	3 781	49 141	51 631	55 299
Remuneration of councillors	280	280	280	280	280	280	315	315	315	315	315	316	3 571	3 750	4 012
Finance charges	930	930	930	930	930	930	930	930	930	930	930	930	11 159	11 716	12 302
Bulk purchases - Electricity	950	950	950	1 500	1 800	1 800	1 800	1 200	1 100	650	550	644	13 894	14 589	15 610
Bulk purchases - Water & Sewer	34	34	34	34	34	34	34	34	34	34	34	34	414	429	470
Other materials	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	2 712	32 542	34 170	40 942
Contracted services	647	647	647	647	647	647	647	647	647	647	647	647	7 759	8 152	8 723
Transfers and grants - other municipalities	308	308	308	308	308	308	308	308	308	308	308	308	3 700	3 885	4 157
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	1 561	18 727	19 707	19 868
Cash Payments by Type	11 202	11 202	11 202	11 752	15 832	12 052	12 087	11 487	11 387	10 937	10 837	10 933	140 908	148 029	161 384
Other Cash Flows/Payments by Type															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	11 202	11 202	11 202	11 752	15 832	12 052	12 087	11 487	11 387	10 937	10 837	10 933	140 908	148 029	161 384
NET INCREASE/(DECREASE) IN CASH HELD	47	47	47	(503)	(4 583)	(803)	(838)	(238)	(138)	312	412	315	(5 925)	(9 860)	(14 305)
Cash/cash equivalents at the month/year begin:	-	47	94	140	(363)	(4 946)	(5 749)	(6 588)	(6 826)	(6 964)	(6 652)	(6 240)	-	(5 925)	(15 786)
Cash/cash equivalents at the month/year end:	47	94	140	(363)	(4 946)	(5 749)	(6 588)	(6 826)	(6 964)	(6 652)	(6 240)	(5 925)	(5 925)	(15 786)	(30 091)

1.17 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

1.18 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets, repair and maintenance of assets, and finally on depreciation.

Table 44 MBRR SA 34a - Capital expenditure on new assets by asset class

NC078 Siyancuma - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure	2	14 879	11 040	24 466	25 275	34 975	34 975	30 823	19 303	18 848
Infrastructure - Road transport		5 355	4 410	8 485	–	14 775	14 775	8 023	16 303	16 848
Roads, Pavements & Bridges		5 355	4 410	8 485		14 775	14 775	8 023	16 303	16 848
Storm water										
Infrastructure - Electricity		555	2 658	1 146	2 600	2 200	2 200	1 500	3 000	2 000
Generation										
Transmission & Reticulation		555	2 658	1 146	2 600	2 200	2 200	1 500	3 000	2 000
Street Lighting										
Infrastructure - Water		7 461	1 909	14 458	19 475	11 700	11 700	15 000	–	–
Dams & Reservoirs										
Water purification		7 461	1 909	14 458	19 475	11 700	11 700	15 000	–	–
Reticulation										
Infrastructure - Sanitation		1 507	2 063	377	3 200	6 300	6 300	6 300	–	–
Reticulation										
Sewerage purification		1 507	2 063	377	3 200	6 300	6 300	6 300	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Waste Management										
Transportation										
Gas										
Other										
Community	3	–	–	81	880	650	650	400	–	–
Parks & gardens	7									
Sportsfields & stadia										
Swimming pools										
Community halls				25						
Libraries				56	630	630	630	400	–	–
Recreational facilities					250	20	20			
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries	8									
Cemeteries										
Social rental housing										
Other										
Heritage assets	9	–	–	–	–	–	–	–	–	–
Buildings										
Other										
Investment properties	10	–	–	–	–	–	–	–	–	–
Housing development										
Other										
Other assets	10	3 858	424	7 489	360	310	310	310	323	310
General v ehicles										
Specialised vehicles		–	–	–	–	–	–	–	–	–
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment		3 858	424	7 411	360	310	310	310	323	310
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings				78						
Other Land										
Surplus Assets - (Inv estment or Inventory)										
Other										
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	–	–	–	–	–	–	–
Computers - softw are & programming										
Other (list sub-class)										
March 2013	1	18 737	11 464	32 036	26 515	35 935	35 935	31 533	19 626	19 158

March 2013

Table 58 MBBR SA 34b – Capital expenditure on the renewal of existing assets by asset class

NC078 Siyancuma - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description		Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure on renewal of existing assets by Asset Class/Sub-class											
Infrastructure											
Infrastructure - Road transport			-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges			-	-	-	-	-	-	-	-	-
Storm water											
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Generation											
Transmission & Reticulation											
Street Lighting											
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Dams & Reservoirs											
Water purification											
Reticulation											
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Reticulation											
Sewerage purification											
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Waste Management											
Transportation	2										
Gas											
Other	3										
Community			-	-	-	-	-	-	-	-	-
Parks & gardens											
Sportsfields & stadia											
Swimming pools											
Community halls											
Libraries											
Recreational facilities											
Fire, safety & emergency											
Security and policing											
Buses	7										
Clinics											
Museums & Art Galleries											
Cemeteries											
Social rental housing	8										
Other											
Heritage assets			-	-	-	-	-	-	-	-	-
Buildings											
Other	9										
Investment properties			-	-	-	-	-	-	-	-	-
Housing development											
Other											
Other assets			-	-	-	-	-	-	-	-	-
General vehicles											
Specialised vehicles	10		-	-	-	-	-	-	-	-	-
Plant & equipment											
Computers - hardware/equipment											
Furniture and other office equipment											
Abattoirs											
Markets											
Civic Land and Buildings											
Other Buildings											
Other Land											
Surplus Assets - (Investment or Inventory)											
Other											
Agricultural assets			-	-	-	-	-	-	-	-	-
List sub-class											
Biological assets			-	-	-	-	-	-	-	-	-
List sub-class											
Intangibles			-	-	-	-	-	-	-	-	-
Computers - software & programming											
Other (list sub-class)											
Total Capital Expenditure on renewal of existing	1		-	-	-	-	-	-	-	-	-
Specialised vehicles			-	-	-	-	-	-	-	-	-
Refuse											
Fire											
Conservancy											
Ambulances											

Table 45 MBRR SA34c - Repairs and maintenance expenditure by asset class

NC078 Siyancuma - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure			2 083	3 070	3 543	8 306	5 639	5 639	5 702	5 992	6 411	
Infrastructure - Road transport			2 083	3 070	1 296	4 013	2 101	2 101	2 101	2 206	2 361	
Roads, Pavements & Bridges			2 083	3 070	1 296	4 013	2 101	2 101	2 101	2 206	2 361	
Storm water												
Infrastructure - Electricity			-	-	840	1 307	738	738	800	840	899	
Generation												
Transmission & Reticulation					840	1 307	738	738	800	840	899	
Street Lighting												
Infrastructure - Water			-	-	628	1 376	1 425	1 425	1 426	1 497	1 602	
Dams & Reservoirs												
Water purification					628	1 376	1 425	1 425	1 426	1 497	1 602	
Reticulation												
Infrastructure - Sanitation			-	-	560	973	837	837	837	884	946	
Reticulation												
Sewerage purification					560	973	837	837	837	884	946	
Infrastructure - Other			-	-	219	638	538	538	538	565	604	
Waste Management					219	638	538	538	538	565	604	
Transportation												
Gas												
Other												
Community			-	-	393	1 525	1 036	1 036	1 511	1 586	1 697	
Parks & gardens						340	165	165	165	173	185	
Sportsfields & stadia							-	-				
Swimming pools							-	-				
Community halls							-	-				
Libraries					8	96	96	96	96	100	107	
Recreational facilities					49	210	252	252	402	422	452	
Fire, safety & emergency					151	467	108	108	183	192	206	
Security and policing						242	285	285	535	562	601	
Buses							-	-				
Clinics							-	-				
Museums & Art Galleries							-	-				
Cemeteries					5	110	110	110	110	116	124	
Social rental housing							-	-				
Other					180	60	20	20	20	21	22	
Heritage assets			-	-	-	-	-	-	-	-	-	
Buildings												
Other												
Investment properties			-	-	-	-	-	-	-	-	-	
Housing development												
Other												
Other assets			-	-	554	991	1 022	1 022	597	627	671	
General vehicles												
Specialised vehicles			-	-	-	-	-	-	-	-	-	
Plant & equipment												
Computers - hardware/equipment												
Furniture and other office equipment												
Abattoirs												
Markets												
Civic Land and Buildings					113	291	140	140	185	194	207	
Other Buildings					441	700	882	882	413	433	464	
Other Land												
Surplus Assets - (Investment or Inventory)												
Other												
Agricultural assets			-	-	-	-	-	-	-	-	-	
List sub-class												
Biological assets			-	-	-	-	-	-	-	-	-	
List sub-class												
Intangibles			-	-	-	-	-	-	-	-	-	
Computers - software & programming												
Other (list sub-class)												
Total Repairs and Maintenance Expenditure			1	2 083	3 070	4 490	10 821	7 696	7 696	7 809	8 205	8 779

March 2013

MBBR SA 34d-Depreciation by asset class

NC078 Siyancuma - Supporting Table SA34d Depreciation by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		9 961	11 034	9 339	6 945	10 767	10 767	11 149	11 707	12 526
Infrastructure - Road transport		9 961	11 034	2 330	3 410	3 751	3 751	4 126	4 332	4 636
Roads, Pavements & Bridges		9 961	11 034	2 330	3 410	3 751	3 751	4 126	4 332	4 636
Storm water										
Infrastructure - Electricity		-	-	1 862	847	1 862	1 862	1 862	1 955	2 092
Generation										
Transmission & Reticulation				1 862	847	1 862	1 862	1 862	1 955	2 092
Street Lighting										
Infrastructure - Water		-	-	2 680	448	2 680	2 680	2 680	2 814	3 011
Dams & Reservoirs										
Water purification				2 680	448	2 680	2 680	2 680	2 814	3 011
Reticulation										
Infrastructure - Sanitation		-	-	2 401	2 204	2 401	2 401	2 401	2 521	2 698
Reticulation										
Sewerage purification				2 401	2 204	2 401	2 401	2 401	2 521	2 698
Infrastructure - Other		-	-	65	36	72	72	79	83	89
Waste Management				65	36	72	72	79	83	89
Transportation										
Gas										
Other										
Community		-	-	214	1 467	905	905	708	744	796
Parks & gardens					198	198	198			
Sportsfields & stadia						-	-			
Swimming pools						-	-			
Community halls						-	-			
Libraries				46	145	46	46	46	48	52
Recreational facilities				92	605	101	101	101	106	114
Fire, safety & emergency				30	250	250	250	250	263	281
Security and policing					-	-	-	-	-	-
Buses						-	-			
Clinics					8	9	9	10	11	11
Museums & Art Galleries						-	-			
Cemeteries				46	10	51	51	51	53	57
Social rental housing						-	-			
Other					250	250	250	250	263	281
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	-	1 733	961	1 887	1 887	1 839	1 931	2 066
General vehicles										
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings				446	625	625	625	568	596	638
Other Buildings				1 287	336	1 262	1 262	1 271	1 335	1 428
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Depreciation	1	9 961	11 034	11 287	9 373	13 559	13 559	13 696	14 381	15 388
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
March 2013										

Table 46 MBRR SA35 - Future financial implications of the capital budget

Choose name from list - Supporting Table SA35 Future financial implications of the capital budget

Vote Description R thousand	Ref	2014/15 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Present value
Capital expenditure	1							
Vote 1 - MUNICIPAL MANAGER		-	-	-				
Vote 2 - COUNCIL		50	50	50				
Vote 3 - CORPORATE AND HUMAN RESOURCES		130	137	130				
Vote 4 - FINANCE		2 864	3 054	3 205				
Vote 5 - PROPERTIES		-	-	-				
Vote 6 - LIBRARIES		630	-	-				
Vote 7 - CEMETARY		-	-	-				
Vote 8 - PARKS AND RECREATION		-	-	-				
Vote 9 - HEALTH SERVICES		-	-	-				
Vote 10 - WASTE MANAGEMENT		-	-	-				
Vote 11 - PUBLIC WORKS		9 023	16 303	16 848				
Vote 12 - ELECTRICITY		1 500	3 000	2 000				
Vote 13 - WATER		15 000	-	-				
Vote 14 - WASTE WATER MANAGEMENT		6 300	-	-				
Vote 15 - TRAFFIC		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		35 497	22 543	22 233	-	-	-	-
Future operational costs by vote	2							
Vote 1 - MUNICIPAL MANAGER								
Vote 2 - COUNCIL								
Vote 3 - CORPORATE AND HUMAN RESOURCES								
Vote 4 - FINANCE								
Vote 5 - PROPERTIES								
Vote 6 - LIBRARIES								
Vote 7 - CEMETARY								
Vote 8 - PARKS AND RECREATION								
Vote 9 - HEALTH SERVICES								
Vote 10 - WASTE MANAGEMENT								
Vote 11 - PUBLIC WORKS								
Vote 12 - ELECTRICITY								
Vote 13 - WATER								
Vote 14 - WASTE WATER MANAGEMENT								
Vote 15 - TRAFFIC								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		35 497	22 543	22 233	-	-	-	-

Table 47 MBRR SA36 - Detailed capital budget per municipal vote

NC078 Siyancuma - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 5	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	4									Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>														
Municipal Infrastructure Grant (MIG)											19 475	23 023	16 303	16 848
Rural Households Infrastructure											3 200	6 300	-	-
Electrification Grant											2 600	1 500	3 000	2 000

Table 48 MBRR SA37 - Projects delayed from previous financial year

Choose name from list - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project R thousand	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2013/14		2014/15 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>							
Entities: <i>List all capital projects grouped by Municipal Entity</i>												
<i>Entity Name</i> <i>Project name</i>												

1.19 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved.
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. They have enrolled on a course to comply with the minimum standards.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The detailed SDBIP document, directly aligned and informed by the 2014/15 MTREF, has been tabled and is ready for approval by the Mayor.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. MFMA Training
MFMA training has commenced.
8. Policies
An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

Other supporting documents

Table 49 MBRR Table SA1 - Supporting detail to budgeted financial performance

NC078 Siyancoma - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

2018/19 Siyancuma - Supporting Table SAT Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
REVENUE ITEMS:											
Property rates											
Total Property Rates		5 746	12 364	15 902	17 539	17 539	17 539	17 539	18 591	19 893	21 285
less Revenue Foregone		11	6 596	8 963	8 213	8 213	8 213	8 213	7 893	8 267	8 867
Net Property Rates		5 734	5 768	6 938	9 326	9 326	9 326	9 326	10 699	11 605	12 418
Service charges - electricity revenue											
Total Service charges - electricity revenue		19 813	16 801	23 423	32 262	32 782	32 782	32 782	34 050	36 433	38 983
less Revenue Foregone											
Net Service charges - electricity revenue		19 813	16 801	23 423	32 262	32 782	32 782	32 782	34 050	36 433	38 983
Service charges - water revenue											
Total Service charges - water revenue		8 021	9 548	10 730	12 826	13 624	13 624	13 624	16 331	17 475	18 698
less Revenue Foregone											
Net Service charges - water revenue		8 021	9 548	10 730	12 826	13 624	13 624	13 624	16 331	17 475	18 698
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		4 465	5 169	5 801	5 606	6 351	6 351	6 351	6 545	7 004	7 494
less Revenue Foregone											
Net Service charges - sanitation revenue		4 465	5 169	5 801	5 606	6 351	6 351	6 351	6 545	7 004	7 494
Service charges - refuse revenue											
Total refuse removal revenue		3 825	4 287	4 897	5 349	5 913	5 913	5 913	6 224	6 660	7 126
Total landfill revenue											
less Revenue Foregone											
Net Service charges - refuse revenue		3 825	4 287	4 897	5 349	5 913	5 913	5 913	6 224	6 660	7 126
Other Revenue by source											
1. Hiring of Sport Grounds		1 846	321	-	-	-	-	-	-	-	-
2. Cremation Fees		-	358	29	-	-	-	-	41	35	38
3. Building Plans		-	592	44	-	-	-	-	66	70	75
4. Legal cost: Debtors		-	-	-	-	-	-	-	100	107	115
5. Sundry Income		-	-	200	-	-	-	-	218	234	250
6. Connection Fees		-	-	-	-	-	-	-	61	65	70
7. Other		-	-	594	419	506	506	506	23	50	52
Total 'Other' Revenue	3	1 846	1 271	867	419	506	506	506	509	561	599
EXPENDITURE ITEMS:											
Employees related costs											
Basic Salaries and Wages		13 614	18 894	23 381	30 010	29 730	29 730	29 730	34 504	36 229	38 818
Pension and UIF Contributions		3 313	3 627	4 400	5 974	5 365	5 365	5 365	6 359	6 669	7 139
Medical Aid Contributions		-	-	-	2 064	1 519	1 519	1 519	2 186	2 295	2 465
Overline		985	1 054	1 632	1 146	2 010	2 010	2 010	1 405	1 685	1 800
Performance Bonus		-	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		2 053	1 996	2 291	2 475	2 487	2 487	2 487	2 738	2 875	3 076
Cellphone Allowance		-	-	-	89	123	123	123	122	128	137
Housing Allowances		415	387	363	414	284	284	284	400	420	450
Other benefits and allowances		383	892	1 884	633	1 184	1 184	1 184	799	744	797
Payments in lieu of leave		(551)	1 053	1 240	304	440	440	440	405	425	455
Long service awards		146	124	138	-	-	-	-	114	160	173
Post retirement benefit obligations		255	323	377	-	-	-	-	-	-	-
sub-total	4	20 813	28 349	35 907	43 049	43 142	43 142	43 142	49 141	51 631	55 299
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	20 813	28 349	35 907	43 049	43 142	43 142	43 142	49 141	51 631	55 299
Contributions recognised - capital											
Contributed PPE			1 671	106							
Total Contributions recognised - capital		-	1 671	106	-	-	-	-	-	-	-
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		9 961	11 034	11 287	9 373	13 559	13 559	13 559	13 894	14 589	15 610
Lease amortisation		-	-	-	-	-	-	-	-	-	-
Capital asset impairment		-	-	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE		-	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	10	9 961	11 034	11 287	9 373	13 559	13 559	13 559	13 894	14 589	15 610
Bulk purchases											
Electricity Bulk Purchases		14 652	20 611	22 965	29 730	29 730	29 730	29 730	32 092	33 647	40 436
Water Bulk Purchases		-	315	401	650	450	450	450	450	473	506
Total bulk purchases	1	14 652	20 925	23 366	30 380	30 180	30 180	30 180	32 542	34 120	40 942
Transfers and grants											
Cash transfers and grants		4 479	4 751	5 451	9 270	9 270	9 270	-	8 084	8 602	9 255
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	4 479	4 751	5 451	9 270	9 270	9 270	-	8 084	8 602	9 255
Contracted services											
1. Professional and Consulting Fees		-	-	3 353	3 457	3 622	3 622	3 622	3 700	3 885	4 157
sub-total	1	-	-	3 353	3 457	3 622	3 622	3 622	3 700	3 885	4 157
Allocations to organs of state:											
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total allocated services		-	-	3 353	3 457	3 622	3 622	3 622	3 700	3 885	4 157
Other Expenditure By Type											
Collection costs		-	-	-	6 525	6 525	6 525	6 525	-	-	-
Contributions to 'other' provisions		-	-	-	3 000	3 700	3 700	3 700	-	-	-
Consultant fees		-	-	-	2 513	1 600	1 600	1 600	1 700	1 785	1 910
Audit fees		-	-	-	3 439	12 645	13 234	13 234	-	-	-
General expenses	3	10 459	8 789	3 439	12 645	13 234	13 234	13 234	-	-	-
1. Insurance Cost		2 377	231	617	-	-	-	-	600	630	674
2. Legal expenses		2 192	2 209	210	-	-	-	-	950	998	1 067
3. Loans		-	-	-	-	-	-	-	2 480	2 520	2 696
4. LG SETA		-	-	-	-	-	-	-	279	292	313
5. Advertisements		-	-	147	-	-	-	-	200	210	225
6. Chemicals		-	-	-	-	-	-	-	614	645	690
7. Computer Expenses		-	-	-	-	-	-	-	300	315	337
8. Delegation fees		-	-	1 067	-	-	-	-	630	721	766
9. Membership Fees		-	-	-	-	-	-	-	500	525	562
10. Printing & Stationery		-	-	612	-	-	-	-	800	840	899
11. Telephone expenses		-	-	615	-	-	-	-	540	567	607
12. Training		-	-	492	-	-	-	-	1 135	1 191	1 217
13. Other		-	-	-	10 579	7 411	7 411	7 411	8 080	8 467	7 856
Total 'Other' Expenditure	1	15 229	11 230	9 911	34 369	32 519	32 519	32 519	18 727	19 707	19 958
Repairs and Maintenance											
Employee related costs		-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-
Contracted Services		-	-	-	-	-	-	-	-	-	-
2 083	9	2 083	3 070	4 490	10 579	7 411	7 411	7 411	-	-	-

March 2013

NC078 Siyancoma - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		4 832	5 746	12 364	14 853	15 815	15 815	15 815	17 539	18 767	20 080
less: Revenue Foregone			11	6 596	7 297	7 797	7 797	8 213	9 624	9 227	
Net Property Rates		4 832	5 734	5 768	7 556	8 018	8 018	8 018	9 326	10 143	10 853
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		18 010	19 813	16 801	23 354	25 693	25 693	25 693	32 262	34 521	36 937
less: Revenue Foregone											
Net Service charges - electricity revenue		18 010	19 813	16 801	23 354	25 693	25 693	25 693	32 262	34 521	36 937
Service charges - water revenue	6										
Total Service charges - water revenue		6 388	8 021	9 548	10 310	10 310	10 310	10 310	12 826	13 723	14 684
less: Revenue Foregone											
Net Service charges - water revenue		6 388	8 021	9 548	10 310	10 310	10 310	10 310	12 826	13 723	14 684
Service charges - sanitation revenue	6										
Total Service charges - sanitation revenue		3 832	4 465	5 169	4 716	5 950	5 950	5 950	5 606	5 999	6 418
less: Revenue Foregone											
Net Service charges - sanitation revenue		3 832	4 465	5 169	4 716	5 950	5 950	5 950	5 606	5 999	6 418
Service charges - refuse revenue	6										
Total refuse removal revenue		3 197	3 825	4 287	4 602	4 914	4 914	4 914	5 349	5 724	6 124
Total landfill revenue											
less: Revenue Foregone											
Net Service charges - refuse revenue		3 197	3 825	4 287	4 602	4 914	4 914	4 914	5 349	5 724	6 124
Other Revenue by source											
other revenue		583	1 846	321	438	599	599	599	419	441	471
Actuarial gains		355	-	358							
Change in Fair Value				592							
Total 'Other' Revenue	3	937	1 846	1 271	438	599	599	599	419	441	471
EXPENDITURE ITEMS:											
Employee related costs	2										
Basic Salaries and Wages		12 966	13 614	18 894	22 808	26 427	26 427	26 427	30 010	31 511	33 718
Pension and UIF Contributions		3 362	3 313	3 627	4 641	5 008	5 008	5 008	5 974	6 272	6 711
Medical Aid Contributions		944	985	1 054	1 902	1 807	1 807	1 807	2 004	2 104	2 252
Overtime					1 109	1 485	1 485	1 485	1 146	1 203	1 288
Performance Bonus											
Motor Vehicle Allowance		2 134	2 053	1 996	2 057	1 640	1 640	1 640	2 475	2 598	2 780
Cellphone Allowance					83	83	83	83	89	93	100
Housing Allowances		357	415	387	401	404	404	404	414	434	465
Other benefits and allowances		354	383	892	1 831	1 794	1 794	1 794	633	665	712
Payments in lieu of leave		(562)	(351)	1 053	224	340	340	340	304	319	342
Long service awards		126	146	124							
Post-retirement benefit obligations	4	480	255	321							
sub-total	5	20 163	20 813	28 349	35 056	38 988	38 988	38 988	43 049	45 201	48 366
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	20 163	20 813	28 349	35 056	38 988	38 988	38 988	43 049	45 201	48 366
Contributions recognised - capital											
Contributed PPE				1 671							
Total Contributions recognised - capital				1 671							
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		9 769	9 961	11 034	9 180	9 296	9 296	9 296	9 373	10 029	10 731
Lease amortisation		8									
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	9 777	9 961	11 034	9 180	9 296	9 296	9 296	9 373	10 029	10 731
Bulk purchases											
Electricity Bulk Purchases		11 717	14 652	20 611	24 225	27 500	27 500	27 500	29 700	31 185	37 422
Water Bulk Purchases		205		315	650	350	350	350	650	683	731
total bulk purchases	1	11 922	14 652	20 926	24 875	27 850	27 850	27 850	30 350	31 868	38 153
Transfers and grants											
Cash transfers and grants		4 758	4 479	4 751	7 297	7 237	7 237	7 237	7 672	8 055	8 619
Non-cash transfers and grants											
Total transfers and grants	1	4 758	4 479	4 751	7 297	7 237	7 237	7 237	7 672	8 055	8 619
Contracted services											
insurance		555			763	796	796	796	880	924	989
legal		184			1 500	305	305	305	305	320	343
valuation					221	622	622	622	622	653	699
miscellaneous					622	1 500	1 500	1 500	1 650	1 733	1 854
sub-total	1	739			3 107	3 223	3 223	3 223	3 457	3 630	3 884
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		739			3 107	3 223	3 223	3 223	3 457	3 630	3 884
Other Expenditure By Type											
Collection costs					6 525	6 525	6 525	6 525	6 525	6 851	7 330
Contributions to 'other' provisions					1 080	2 500	2 500	2 500	3 000	3 150	3 371
Consultant fees					1 500	1 600	1 600	1 600	1 600	1 680	1 798
Audit fees		1 433			10 994	9 570	9 570	9 570	9 540	10 013	10 695
General expenses	3	3 878	10 659	8 789							
Actuarial losses			2 377	231							
Expenses paid out of grants		2 323	2 192	2 209							
Downloads Post Office						800	800	800	2 550	2 700	2 900
Repayment borrowing						10	10	10	10	10	11
						640	640	640	565	593	447
Total 'Other' Expenditure	1	7 634	15 229	11 230	20 099	21 645	21 645	21 645	23 789	24 997	26 552
Repairs and Maintenance	8										
Employee related costs					1 736	1 901	1 901	1 901	3 144	3 301	3 533
Other materials					3 747	3 682	3 682	3 682	4 188	4 398	4 705
Contracted Services					1 106	1 561	1 561	1 561	927	973	1 041
Other Expenditure		3 364	2 083	3 070	786	1 432	1 432	1 432	2 320	2 437	2 608
Total Repairs and Maintenance Expenditure	9	3 364	2 083	3 070	7 374	8 576	8 576	8 576	10 579	11 109	11 887

Table 50 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

NC078 Siyancuma - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - MUNICIPAL MANAGER	Vote 2 - COUNCIL	Vote 3 - CORPORATE AND HUMAN RESOURCES	Vote 4 - FINANCE	Vote 5 - PROPERTIES	Vote 6 - LIBRARIES	Vote 7 - CEMETARY	Vote 8 - PARKS AND RECREATIO N	Vote 9 - HEALTH SERVICES	Vote 10 - WASTE MANAGEME NT	Vote 11 - PUBLIC WORKS	Vote 12 - ELECTRICIT Y	Vote 13 - WATER	Vote 14 - WASTE WATER MANAGEME NT	Vote 15 - TRAFFIC	Total
R thousand	1																
Revenue By Source																	
Property rates					10 699												10 699
Property rates - penalties & collection charges																	-
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue																	-
Service charges - other											6 267		35 796	14 430	6 542		63 034
Rental of facilities and equipment				128		197			872								1 197
Interest earned - external investments																	-
Interest earned - outstanding debtors					889												889
Dividends received																	-
Fines							0									7 236	7 236
Licences and permits																450	450
Agency services																711	711
Other revenue				316	83			41				19	201		6		666
Transfers recognised - operational			2 036		30 593		630				2 542	9 023	2 889	16 002	9 450		73 166
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		-	2 036	444	42 264	197	630	41	872	-	8 809	9 023	38 704	30 633	15 998	8 397	158 048
Expenditure By Type																	
Employee related costs		2 639		7 662	12 426	378	1 983	555	1 724	85	3 282	5 438	3 593	2 766	4 537	1 835	48 904
Remuneration of councillors			3 571														3 571
Debt impairment					11 159												11 159
Depreciation & asset impairment		143	624	652	102	568	46	51	299	10	79	4 126	1 862	2 680	2 401	250	13 894
Finance charges																	-
Bulk purchases													32 092	450			32 542
Other materials			183	140	293	185	96	110	567		538	2 101	800	1 426	837	535	7 809
Contracted services				2 400													2 400
Transfers and grants					2 734						2 542		1 389	1 002	3 193		10 860
Other expenditure		425	1 281	5 278	6 336	1 972	86	4	310	418	70	485	879	954	320	359	19 178
Loss on disposal of PPE																	-
Total Expenditure		3 207	5 659	16 132	33 049	3 103	2 211	720	2 901	513	6 511	12 150	40 617	9 279	11 288	2 979	150 318
Surplus/(Deficit)		(3 207)	(3 623)	(15 688)	9 215	(2 906)	(1 581)	(679)	(2 029)	(513)	2 298	(3 127)	(1 912)	21 354	4 710	5 418	7 730
Transfers recognised - capital			50	130	130	400						8 023	1 500	15 000	6 300	250	31 783
Contributions recognised - capital			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		(3 207)	(3 573)	(15 558)	9 345	(2 906)	(1 181)	(679)	(2 029)	(513)	2 298	4 896	(412)	36 354	11 010	5 668	39 513

Table 51 MBRR Table SA3 – Supporting detail to Statement of Financial Position

NC078 Siyancuma - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days											
Other current investments > 90 days											
Total Call investment deposits	2	-	-	-	-	-	-	-	-	-	-
Consumer debtors											
Consumer debtors		42 603	52 741	59 476	3 001	3 001	3 001	3 001	64 200	76 416	88 918
Less: Provision for debt impairment		(32 881)	(41 740)	(48 990)					(60 899)	(72 615)	(84 917)
Total Consumer debtors	2	9 722	11 001	10 486	3 001	3 001	3 001	3 001	3 301	3 801	4 001
Debt impairment provision											
Balance at the beginning of the year		25 496	32 881		49 740	49 740	49 740	49 740	49 740	60 899	72 615
Contributions to the provision		7 385	8 860						11 159	11 716	12 302
Bad debts written off			-								
Balance at end of year		32 881	41 740	-	49 740	49 740	49 740	49 740	60 899	72 615	84 917
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		315 252	326 246	354 243	379 492	379 492	379 492	379 492	414 989	437 532	459 765
Leases recognised as PPE	3										
Less: Accumulated depreciation		36 611	47 198	56 272	66 881	66 881	66 881	66 881	80 775	95 364	110 974
Total Property, plant and equipment (PPE)	2	278 641	279 048	297 971	312 611	312 611	312 611	312 611	334 214	342 168	348 791
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		637	1 321	2 140	565	565	565	565	621	609	598
Total Current liabilities - Borrowing		637	1 321	2 140	565	565	565	565	621	609	598
Trade and other payables											
Trade and other creditors		5 482	6 943	11 280	6 943	6 943	6 943	6 943	7 290	7 581	7 733
Unspent conditional transfers		9 950	22 543	10 119	22 543	22 543	22 543	22 543	22 541	10 123	8 500
VAT		-	-	-	-	-	-	-	-	-	-
Total Trade and other payables	2	15 432	29 486	21 399	29 486	29 486	29 486	29 486	29 831	17 704	16 233
Non current liabilities - Borrowing											
Borrowing	4	356	1 848	6 333	1 083	1 083	1 083	1 083	1 100	1 202	980
Finance leases (including PPP asset element)		2 711	2 230		2 230	2 230	2 230	2 230	2 300	2 400	2 430
Total Non current liabilities - Borrowing		3 067	4 078	6 333	3 312	3 312	3 312	3 312	3 400	3 602	3 410
Provisions - non-current											
Retirement benefits		9 222	9 931	11 440	9 931	9 931	9 931	9 931	9 931	10 032	10 324
List other major provision items											
Refuse landfill site rehabilitation		4 712	4 947	5 481	6 525	6 525	6 525	6 525	6 730	6 854	6 912
Other			-								
Total Provisions - non-current		13 934	14 878	16 920	16 455	16 455	16 455	16 455	16 661	16 886	17 236
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		291 560	306 047	278 024	347 112	347 112	347 112	347 112	313 666	340 594	347 654
GRAP adjustments			-								
Restated balance		291 560	306 047	278 024	347 112	347 112	347 112	347 112	313 666	340 594	347 654
Surplus/(Deficit)		14 488	(406)	14 891	(25 451)	(32 771)	(32 770)	(23 500)	9 014	(2 159)	(6 712)
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments					12 632	12 632	12 632	12 632			
Accumulated Surplus/(Deficit)	1	306 047	305 641	292 915	334 293	326 973	326 973	336 243	322 680	338 435	340 942
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation				43							
Total Reserves	2	-	-	43	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	306 047	305 641	292 957	334 293	326 973	326 973	336 243	322 680	338 435	340 942

Table 52 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

Choose name from list - Supporting Table SAW Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref	Basis of calculation	2001 Census	2007 Survey	2011 Census	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework
Population Population Females aged 5 - 14 Males aged 5 - 14 Females aged 15 - 34 Males aged 15 - 34 Unemployment						Outcome	Outcome	Outcome	Original Budget	Outcome
Monthly household income (no. of households) No income R1 - R1 600 R1 601 - R2 300 R2 301 - R4 800 R4 801 - R12 800 R12 801 - R25 600 R25 601 - R51 200 R51 201 - R102 400 R102 401 - R204 800 R204 801 - R409 600 R409 601 - R819 200 > R819 200	1, 10									
Poverty statistics (no. of households) R2 300 per household per month Poverty description Number of people in municipal area Number of poor people in municipal area Number of households in municipal area Number of poor households in municipal area Population of poor households (per month)	13, 2									
Housing statistics Formal Informal Total number of households Dwellings provided by municipality Dwellings provided by private sector Dwellings provided by private sector Total new housing dwellings	3, 4, 5									
Economic Industrial/retail outlets (CPI-X) Interest rate - borrowing Interest rate - lending Remuneration increases Consumption growth (elasticity) Consumption growth (wages)	6									
Collection rates Property service charges Interest on facilities & equipment Interest on facilities & equipment Revenue from agency services	7									

Detail on the provision of municipal services for A10

Total municipal services	Ref	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework
		Outcome	Outcome	Outcome	Original Budget Adjusted Budget Full Year Forecast	Budget Year 2014/15 Budget Year +1 2015/16 Budget Year +2 2016/17
Household service targets (000) Water Piped water inside dwelling Using public tap (at least min. service level) Other water supply (at least min. service level) At least min. service level Using public tap (c. min. service level) Other water supply (c. min. service level) No water supply At least min. service level sub-total Total number of households Sewerage Flush toilet (connected to sewerage) Flush toilet (with septic tank) Chemical toilet Pit toilet (ventilated) Other toilet provisions (c. min. service level) At least min. service level and Above sub-total Bucket toilet Other toilet provisions (c. min. service level) No toilet provisions At least min. service level sub-total Total number of households Electricity Electricity (at least min. service level) Electricity - prepaid (min. service level) At least min. service level and Above sub-total Electricity (c. min. service level) Electricity - prepaid (c. min. service level) Other energy sources At least min. service level sub-total Total number of households Rubbish Rubbish out at least once a week At least min. service level and Above sub-total Rubbish out less frequently than once a week Using communal refuse dump Using own refuse dump Other rubbish disposal No rubbish disposal At least min. service level sub-total Total number of households	8, 10, 9, 10					
Municipal in-house services	Ref	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework
		Outcome	Outcome	Outcome	Original Budget Adjusted Budget Full Year Forecast	Budget Year 2014/15 Budget Year +1 2015/16 Budget Year +2 2016/17
Household service targets (000) Water Piped water inside dwelling Using public tap (at least min. service level) Other water supply (at least min. service level) At least min. service level Using public tap (c. min. service level) Other water supply (c. min. service level) No water supply At least min. service level sub-total Total number of households Sewerage Flush toilet (connected to sewerage) Flush toilet (with septic tank) Chemical toilet Pit toilet (ventilated) Other toilet provisions (c. min. service level) At least min. service level and Above sub-total Bucket toilet Other toilet provisions (c. min. service level) No toilet provisions At least min. service level sub-total Total number of households Electricity Electricity (at least min. service level) Electricity - prepaid (min. service level) At least min. service level and Above sub-total Electricity (c. min. service level) Electricity - prepaid (c. min. service level) Other energy sources At least min. service level sub-total Total number of households Rubbish Rubbish out at least once a week At least min. service level and Above sub-total Rubbish out less frequently than once a week Using communal refuse dump Using own refuse dump Other rubbish disposal No rubbish disposal At least min. service level sub-total Total number of households	8, 10, 9, 10					
Municipal entity services	Ref	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework
		Outcome	Outcome	Outcome	Original Budget Adjusted Budget Full Year Forecast	Budget Year 2014/15 Budget Year +1 2015/16 Budget Year +2 2016/17
Name of municipal entity Household service targets (000) Water Piped water inside dwelling Using public tap (at least min. service level) Other water supply (at least min. service level) At least min. service level Using public tap (c. min. service level) Other water supply (c. min. service level) No water supply At least min. service level sub-total Total number of households Sewerage Flush toilet (connected to sewerage) Flush toilet (with septic tank) Chemical toilet Pit toilet (ventilated) Other toilet provisions (c. min. service level) At least min. service level and Above sub-total Bucket toilet Other toilet provisions (c. min. service level) No toilet provisions At least min. service level sub-total Total number of households Electricity Electricity (at least min. service level) Electricity - prepaid (min. service level) At least min. service level and Above sub-total Electricity (c. min. service level) Electricity - prepaid (c. min. service level) Other energy sources At least min. service level sub-total Total number of households Rubbish Rubbish out at least once a week At least min. service level and Above sub-total Rubbish out less frequently than once a week Using communal refuse dump Using own refuse dump Other rubbish disposal No rubbish disposal At least min. service level sub-total Total number of households	8, 10, 9, 10					
Services provided by 'external mechanisms'	Ref	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework
		Outcome	Outcome	Outcome	Original Budget Adjusted Budget Full Year Forecast	Budget Year 2014/15 Budget Year +1 2015/16 Budget Year +2 2016/17
Name of service providers Household service targets (000) Water Piped water inside dwelling Using public tap (at least min. service level) Other water supply (at least min. service level) At least min. service level Using public tap (c. min. service level) Other water supply (c. min. service level) No water supply At least min. service level sub-total Total number of households Sewerage Flush toilet (connected to sewerage) Flush toilet (with septic tank) Chemical toilet Pit toilet (ventilated) Other toilet provisions (c. min. service level) At least min. service level and Above sub-total Bucket toilet Other toilet provisions (c. min. service level) No toilet provisions At least min. service level sub-total Total number of households Electricity Electricity (at least min. service level) Electricity - prepaid (min. service level) At least min. service level and Above sub-total Electricity (c. min. service level) Electricity - prepaid (c. min. service level) Other energy sources At least min. service level sub-total Total number of households Rubbish Rubbish out at least once a week At least min. service level and Above sub-total Rubbish out less frequently than once a week Using communal refuse dump Using own refuse dump Other rubbish disposal No rubbish disposal At least min. service level sub-total Total number of households	8, 10, 9, 10					

Table 53 MBRR SA32 – List of external mechanisms

Choose name from list - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand

No external mechanisms